

City of Milford
Department of Economic & Community Development
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Small Repair Program

Program Policy & Procedure

Introduction

The program is designed to provide eligible Milford homeowners an affordable way to improve accessibility and energy efficiency in the home to reduce overall housing costs.

CDBG funds will be made available to eligible owners on a first come first serve basis. The city reserves the right to revoke program assistance should information come to light that the applicant is not eligible, or to revise or put the project on hold if the yearly budget level is less than the project bid. The program administrator reserves the right to put a hold on new applications due to program and budget constraints.

The Department of Economic and Community Development administers the housing program with Community Development Block Grant Program (CDBG) funds, an entitlement grant it receives from the U.S. Department of Housing and Urban Development (HUD) under the provisions of Title I of the Housing and Community Development Act of 1974, and 1983 and 1987 amendments thereto.

The policy and procedure of the CDBG Program contained herein are applicable to all persons, 18 years of age or older, who reside in the household.

The Federal Fair Housing Act protects people from discrimination when they are renting, buying, or securing financing for any housing. The prohibitions specifically cover discrimination because of race, color, national origin, religion, sex, disability, and the presence of children. Section 109 of the Housing and Community Development Act of 1974 requires that no one shall, on the grounds of race, color, national origin, sex, age or a disability, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded with CDBG funds. The Connecticut Fair Housing Act prohibits against all the above including marital status, sexual orientation, gender identity, legal source of income (refusing to accept Section 8, for example) and Veteran status. All applicable requirements imposed by or pursuant to regulations effectuating Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968 regarding the sale, lease, use or occupancy of his/her property.

CDBG repairs made to a privately owned property with 1 to 4 units typically do not necessitate an owner and/or tenant(s) to vacate the premises. As a privately owned property requesting non-emergency repairs, this program is not required to pay temporary costs while repairs are completed. The owner is responsible for relocation cost and accommodations for his/herself and

his/her tenant. The federal funds allocated to a housing project over four units that will displace an owner or tenant(s) temporarily or permanently must first arrange relocation assistance in accordance with the Uniform Relocation Act.

The city reserves the right to amend its housing program(s) at any time, without notice, to further the goals of the program or to protect and/or preserve the city's interests and improve the program's benefit to the community.

Application Process, Requirements & Eligibility

The program staff determine an owner's eligibility for assistance in accordance with the requirements set forth below and the HUD Community Planning Department (CPD) Income Eligibility Calculator. The owner will be required to recertify their household income if the project hasn't begun within 12 months of initial eligibility notification.

Before applying, the applicant is required to **schedule an appointment** with CDBG program staff for review of the application and all documentation. The income verification process will not begin until the application is complete.

Please include the following with the program application:

- **Income Tax return**: most recent year, federal and state with schedules and W2's.
- **Employer income**: payroll statements, most recent 8 weeks.
- **Other employer income**: include explanation of other income compensation, i.e. overtime hours, bonus, commission, if applicable.
- **Other income**: yearly alimony and/or child support amount, unemployment statement, rental property lease, a 1099-MISC non-employee/ independent contractor, etc.
- **Benefit income/revenue**: ALL Social security, disability, unemployment, Workmen's Compensation, military pay, Food Stamps (SNAP), Aid to Family payments (AFDC), etc.
- **Bank**: ALL CD, saving(s) and checking account statements, past 6 months.
- **Investment/IRA**: ALL IRA, CD, cash reserve, stocks, bonds and pension account statements, past 6 months.
- **Document assets**: explanation, or other documentation if requested, of lump sum or one-time deposits, such as inheritances, capital gains, lottery winning, insurance settlements or other.
 - Cash assets over \$5,000 are considered income. Cash assets up to \$50,000 will not disqualify an applicant from assistance if no other financial retirement or investment accounts are available to the applicant(s).
- Bankruptcy Grant Notice and/or a Foreclosure Writ of Possession statement
- Current utility statements with buyer(s) name, address, account balance.
- Full time student verification: college enrollment letter from registrar or recent grades documenting a minimum of 12 credits or 4 classes.
- Divorce agreement, if applicable.

Income Verification

The owner's annual adjusted gross household income must not exceed the income limits established by HUD based on household size referenced in the table below. Income eligibility is based on all household members, 18 years and over, residing in the home.

HUD Income Limit 5/15/2023

Household Size	<u>Annual Adjusted Gross Income</u>	
	50% Area Median	80% Area Median
1	\$42,150	\$66,300
2	\$48,150	\$75,750
3	\$54,150	\$85,200
4	\$60,150	\$94,650
5	\$65,000	\$102,250
6	\$69,800	\$109,800
7	\$74,600	\$117,400
8	\$79,400	\$124,950

Property Eligibility

1. Owner must hold legal title to the property. A reverse mortgage is not considered a clear title.
2. Verify his/her primary residence.
3. Be current on all city property taxes.
4. Submit homeowner's insurance policy and/or flood insurance policy.
5. Property must be free of liens foreclosure (Lis Pendens).

Applicant Eligibility

1. Program staff will send the owner written notice of income and project eligibility.
2. The eligible owner will be placed on a waiting list prioritized according to the application approval.
3. Owners not eligible are encouraged to re-apply should their financial circumstances change.

Terms of Financial Assistance

1. Eligible project costs up to \$5,000.
2. Payment made directly to the contractor.
3. Income eligible households at or below 50% area median income will receive a grant. Income eligible households at or below 80% median income pay half the total project cost.

Project Eligibility

An owner or tenant may receive financial assistance one time per property. A tenant must receive written permission from a property owner for if it structurally modifies an interior or exterior wall, ceiling or floor.

Eligible repairs/improvements include: Building code corrections; general repairs, install or modifications of the interior or exterior of the housing structure including but not limited to; a new door, a new window; carpentry; install equipment, smoke and carbon monoxide detectors, and accessibility fixtures; exterior railings and steps, masonry or asphalt repair, and handicap ramps.

Ineligible projects include: new construction; exterior work (unattached structures): driveway, landscaping, fencing; the installation of luxury items or cosmetic improvements; purchase of equipment such as a window air conditioners, refrigerator, and laundry; labor by owner; and general maintenance and repairs. Repairs that require a licensed electrician or plumber.

This program is not an “emergency repair” program. An “emergency” repair includes; failed roof, plumbing, heating system, oil tank leaks, septic, and collapsed sewer or water line.

Pre-Project Steps

1. An on-site project review, visual inspection of the paint will be conducted.
2. A scope of work will be prepared for owner approval. One scope of work per property.
3. If the project estimate is accepted the owner will sign the estimate. If the estimate is under \$5,000, additional eligible work will not be added after a contract is signed. Costs exceeding \$5,000 will be paid by the owner to the contractor. The final payment is CDBG funds.
4. Condominium Association project approval, if required, in writing to CDBG staff.

Project Management

1. The owner signs a contract with the contractor and is responsible to ensure the work is completed to their satisfaction.
2. Contact the project manager and CDBG Administrator will assist the owner to ensure concerns are addressed by the contractor/vendor.
3. The Project Manager and owner will assess the work prior to final payment.
4. Work requiring a permit will be inspected by the Building Inspection Department and the contractor will schedule based on approval by the CDBG Administrator and/or Project Manager.
5. It shall be the responsibility of the contractor to ensure that all required inspections under local codes are made and contact the Project Manager or CDBG Administrator to inspect for payment authorization.
6. A change order may be issued to complete unforeseen work or delete labor and materials Part of the initial scope of work. Owner must contact the Project Manager for the additional or to deletion of work before any work is completed.

Project Completion & Payment

1. Owner and CDBG Administrator approval and all applicable material and equipment warranties are required before a final payment to the contractor.
2. By contract, the contractor is responsible for all workmanship and cost of repairs or correction of deficiencies that may arise from workmanship or faulty materials by the contractor or subcontractors for a period of one (1) year from the date of contract completion and acceptance.
3. Progress payments for work completed to the satisfaction of the project manager and the owner are allowed. Generally not more than one (1) partial payments will be made in the course of the construction process and the final payment or contingency amount will be held until the project is satisfactorily completed and lead-based paint clearance test verified, if applicable.
4. The owner will authorize final payment and the contractor will sign a Payment Authorization/Lien Waiver Form at the time of partial and/or final payment. After the final payment the owner may request copies of records related to the project for future reference.

Disputes

It is vital the owner and contractor maintain professional relations and communicate fully with each other and the CDBG staff and Project Manager to ensure the approved work is performed according to the contract. No unrelated work is allowed before or during the contract period. Prior to final payment authorizations are made the CDBG Staff and Project Manager will make every effort to resolve a work-related dispute and restore acceptable performance to complete the project as per the scope of work. Should the owner or contractor be in clear default on their contract obligations the city will seek to resolve the issue to complete the project.

If a dispute between the contractor and the owner arises unrelated to the scope of work, it is the responsibility of the parties to resolve the dispute according to payment obligations represented by the contract executed between the contractor and the owner. The Department of Economic & Community Development or City of Milford is not obligated in any way by the contract.

Equal Opportunity Statement

The CDBG Housing program is funded by HUD and is governed by federal laws regarding fair housing, fair credit, and equal opportunity in lending. The federal equal credit opportunity act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex marital status, age (provided that the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the consumer credit protection act. The federal agency that administers compliance with this law concerning this agency is the Department of Housing and Urban Development, One Corporate Center, 20 Church Street, 10th Floor, Hartford, CT, 06103-3220. The City of Milford Homebuyer Assistance Program is an equal opportunity lender.

Complaints

Complaints concerning matters related to this program shall be filed with the Director of Economic and Development and CDBG Administrator in writing. The ECD and CDBG staff shall respond to complaints within ten (10) business days of receipt of the complaint. If the complaint is deemed a regulatory matter, the Staff will consult with the Hartford Office of Housing and Urban Development, Department of Community Planning and Development. If the complainant is dissatisfied with the response of the EDC and CDBG staff, they may appeal to the City Attorney, 110 River Street, Milford CT 06460, within ten (10) business days from issuance of the response. The complainant shall be responsible for providing all relevant information. Upon review of the Community Development office records and information submitted by the complainant, the City Attorney shall issue a written decision within twenty (20) business days after receipt of the appeal.

