3 Pond Road
Gloucester, MA 01930

(978) 282-3027 Phone
(978) 282-3035 Fax

COMMUNITY DEVELOPMENT DEPARTMENT
GRANTS DIVISION

## HOUSING REHABILITATION PROGRAM

The Housing Rehabilitation Program offers deferred payment, no-interest loans to owner-occupants of single- and multi-family properties (1-7 units) for moderate rehabilitation. Funding is provided by the U.S. Department of Housing and Urban Development through the Community Development Block Grant (CDBG) Program. The Housing Rehabilitation Program will provide assistance to homeowners in need of emergency repairs, building/health code violation repairs, and/or other repairs in order to improve the safety, accessibility, and energy-efficiency of their home.

## PROGRAM & QUALIFICATIONS

Owner-occupied single- and multi-family properties are eligible for rehabilitation assistance. Investor owners, please call staff to discuss funding needs and opportunities.

1. Property must be owner-occupied
2. Property owner and/or tenant(s) income MUST fall within HUD Income Guidelines (see attached)
3. Deferred, 0% Loans
4. Owners of assisted multi-family properties must sign Affordability Housing Restriction Agreements for all rental units with the City of Gloucester.

## GENERAL PROGRAM INFORMATION

- The City accepts applications for assistance on a rolling basis. Preference may be given to homeowners seeking emergency assistance and first-time applicants. Clients who have received previous assistance within the last four years are ineligible to apply for additional services.

- Income eligibility, determined by HUD Income Guidelines, is based on projected household income at the time of assistance.

- The City will develop work specifications, obtain at least 3 bids, and select the most capable contractor.

- You will be required to sign an Owner/City Loan Agreement & Mortgage.

- A mortgage lien will be recorded at the Southern Essex District Registry of Deeds. A $175 recording fee will be required made payable to the Registry of Deeds and will be your responsibility.

- All loans are payable in full upon sale, title transfer or refinancing with cash out.

- The Rehabilitation Specialist and Program Staff will periodically inspect the work.

- Payments are made to the homeowner to reimburse the contractor upon receipt of an invoice and approval of work in place by the Rehabilitation Specialist.

- You will be required to sign off on all repairs that are made by contractors at your property. Contractors and homeowners will not be allowed to change any work order once the property owner and City have agreed to the scope of work. The City will not reimburse any unauthorized work.

- This office follows the guidelines of the Uniform Relocation Act of 1970. No tenant will be evicted due to rehab efforts funded by the CDBG Programs. If it is necessary for a tenant to be temporarily relocated, they will be relocated to a "decent, safe & sanitary temporary unit".

- If applicable, all units must remain "affordable" for a period of 15 years. The owner agrees to rent rehabilitated units with no more than 10% annual increases allowable up to maximum of HUD Fair Market Rents. The owner will sign an Affordable Housing Restriction Rental Unit agreement with the City of Gloucester to ensure compliance. All units will be monitored on a yearly basis. The Affordable Housing Restriction will be recorded, and the $75 recording fee will be your responsibility.

- NO loans will be processed if there are any outstanding city fees or property taxes.

- The property must be free of all other liens and encumbrances.

- If work has already begun, you may not participate in program.

- The level of assistance offered may be limited by the City's 100% loan-to-value ratio policy; the City will not offer loans that will cause undue financial hardship to participants, and will not knowingly issue a loan that will place rehabilitation clients in an "underwater' situation.

- The City will offer eligible applicants seeking substantial repairs referrals to other area rehabilitation programs to leverage funding whenever possible.

- If the project is too cost-prohibitive, the Grants Office reserves the right to refuse services.

## APPLICATION FOR ASSISTANCE CHECKLIST

- o Completed Application for Rehabilitation Assistance
- o Income Documentation:

| | |
|---|---|
| Employed: | Twelve (12) weeks of pay stubs for all members of the household over the age of 18 who are working. |
| Unemployed: | Copy of unemployment check, plus a letter from Unemployment Office stating start date and amount of assistance. |
| Social Security: | Copy of most recent check or letter from Social Security Office stating amount of benefit(s). |
| Public Assistance: | Copy of check plus letter from welfare office stating amount of assistance. |
| Pension/Disability: | Copy of latest check plus letter from company or Social Security stating amount of benefits. |
| Rental Income: | Copy of two months' rent receipts. |
| Full Time Students: | Letter from school stating current full time enrollment status. |

- o Copies of the last two most recent years of federal tax returns (IRS Form 1040)
- o Copy of Property Deed
- o Copy of Homeowner's Insurance Policy
- o If property is mortgaged, copy of most recent mortgage statement.

If applying for multi units (2-7), please include the additional information:

- o Completed Tenant Application(s)
- o Certificate of Occupancy from 106 Inspection (only applies to 3+ unit properties)
- o Certificate of Rental Dwelling
- o Copy of rental/lease agreements (if applicable)
- o Utility bills for last 2 months (gas, electric or cable).

## HOUSING REHABILITATION PROGRAM - APPLICATION FOR ASSISTANCE

Instructions: Please complete all items on this application. If the information requested does not apply to you, please write "not applicable" or "n/a". Should you require assistance in filling out this application, please contact Emily Freedman at the Grants Office at (978) 282-8006 or email efreedman@gloucester-ma.gov.

APPLICANT(S) INFORMATION:

Applicant Name: _____

SSN: _____

Address: _____

_____

_____

Home Phone: _____

Cell: _____

Marital Status: _____

Co-Applicant: _____

SSN: _____

Address: _____

_____

_____

Home Phone: _____

Cell: _____

Marital Status: _____

Number of Persons in Household (list names, ages and relationship below):

| Name: | Age: | Relationship: |
|---|---|---|
| | | |
| | | |
| | | |
| | | |

Have you received assistance through the City's rehabilitation program within the last four years? Y N

If yes, please provide type and year of assistance that was received.

Type: _____ Year: _____

## SOURCES OF INCOME

A. EMPLOYMENT INFORMATION

Please complete this section for all household members age 18 and over. You must include both full and part time employment. (Please list additional employers on a separate sheet if necessary).

Name _____

Employer _____

Employer Address_____

Employer Telephone _____ Date of Hire _____

Position_____

Hours per week _____ Hourly Wage _____

Annual Earnings (including overtime, bonuses, tips, etc.): _____

Name _____

Employer _____

Employer Address_____

Employer Telephone _____ Date of Hire _____

Position_____

Hours per week _____ Hourly Wage _____

Annual Earnings (including overtime, bonuses, tips, etc.): _____

Name _____

Employer _____

Employer Address_____

Employer Telephone _____ Date of Hire _____

Position_____

Hours per week _____ Hourly Wage _____

Annual Earnings (including overtime, bonuses, tips, etc.): _____

B. OTHER SOURCES OF INCOME

| Source | Amount Received/Month | Amount Received/Year |
|---|---|---|
| Social Security: | $ | $ |
| SSI Benefits: | $ | $ |
| Pension: | $ | $ |
| V.A. Benefits | $ | $ |
| Retirement: | $ | $ |
| Disability Income: | $ | $ |
| Welfare: | $ | $ |
| Worker's Compensation | $ | $ |
| Unemployment: | $ | $ |
| Alimony: | $ | $ |
| Child Support: | $ | $ |
| Rental Income: | $ | $ |

## PROPERTY INFORMATION

Address of property to be rehabilitated: _____

Owner(s) of Record: _____

Owner(s) Address: _____

Contact Name:_____

Type of Ownership: _____ Individual _____ Corporation _____ Partnership _____Other

Length of ownership (yrs, mos): _____ Current Appraised Value: $_____

Number of Units: _____ How many units are currently occupied: _____

Are the Real Estate and/or Water/Sewer bills paid and current? Yes No

Do you own or have an interest in any other real estate in or out-of-state? Yes No

If so, provide address: _____

## REHABILITATION REQUIREMENTS

*Extensive rehabilitation may require a Lead Paint Certificate, please be advised.*

What year was the property built? _____

Lead Paint in the Unit(s)? _____Unknown _____Yes _____No

Has the property ever been inspected for the presence of lead paint? _____Yes _____ No

If yes, what year was the property inspected? Please attach report. _____

Has the property been de-leaded? _____Yes _____ No

*If yes, please attach a copy of the Letter of Full Deleading Compliance.*

Is there a physically disabled person living in the home? _____Yes _____ No

Does the home require modifications to allow easier access for that person? _____Yes _____ No

Has the property recently been cited for Code Violations that have not been corrected to date?

_____Yes _____ No If yes, mark the code violation(s) below:

____Building ____Health ____Electrical ____Plumbing ____Fire

Briefly describe the rehabilitation work requested (keep in mind, we only do health, safety and code issues):

_____

_____

_____

_____

_____

_____

_____

## CONFLICT OF INTEREST STATEMENT

Applicant Name:_____

Co-Applicant Name:_____

Address:_____

I/we certify that my/our answers to the following questions are true and accurate to the best of my/our knowledge and belief and I/we understand that the "you" includes the undersigned and the applicant for the deferred loan or interest bearing loan thereof:

1. Are you or an immediate family member presently or in the last twelve months, an employee, agent, consultant, or elected appointed official of any agency (including the City of Gloucester or the Grants Office) receiving CDBG and/or HOME funds directly or indirectly?

Applicant: ____ No ____Yes Co-Applicant: ____ No ____Yes

If you answered "No" you do not need to answer questions 2 through 5. Please sign below.

2. Applicant: Name of Agency _____ Position: _____

Co-Applicant: Name of Agency _____ Position: _____

3. Do you presently or have you in the last 12 months exercised any functions or responsibilities with respect to CDBG and/or HOME activities?

Applicant: ____Yes ____No Co-Applicant: ____Yes ____No

4. Do you presently or have you in the last 12 months been in a position to participate in a decision making process to gain inside information regarding CDBG and/or HOME activities?

Applicant: ____Yes ____No Co-Applicant: ____Yes ____No

5. If you answered yes to either question 3 or 4, are there factors that justify an exception to the conflict of interest provision?

Applicant: ____Yes ____No (explain below) Co-Applicant: ____Yes ____No (explain below)

_____

_____

_____

_____

Signatures:

Applicant: _____ Date: _____

Co-Applicant: _____ Date: _____

# FINANCIAL PRIVACY ACT NOTICE

_____ _____
Applicant Date

_____ _____
Co-Applicant Date

## NOTICE

This notice is provided to you pursuant to the requirements of the Right to Privacy Act of 1978. As a result of your request and/or receipt of financial assistance under the City of Gloucester Housing Rehabilitation Loan Program, the United States Department of Housing and Urban Development will have access to financial records held by the City of Gloucester in connection with the consideration and/or administration of assistance to you. The City of Gloucester and its representatives who are responsible for administrative, financial, and/or fiscal matters associated with the City's Housing Rehabilitation Program will have a right of access to these financial records.

Pursuant to these rights of access, financial records involving your transaction will be available to these authorized officials without further notice or authorization from you. However, your financial records and information as contained therein will not be disclosed or released to any other person, government agency, or department without your prior written consent, except as may be permitted and/or required by law.

## ACKNOWLEDGEMENT

I have read the Right to Financial Privacy Act Notice presented above and by my signature below, acknowledge and accept the terms and conditions set forth therein.

_____ _____
Applicant Signature Date

_____ _____
Co-Applicant Signature Date

## INFORMATION FOR GOVERNMENT MONITORING PURPOSES

The following information is requested by the Federal Government for certain types of loans in order to monitor the City of Gloucester's compliance with equal credit opportunity and fair housing laws. While you are not required to supply this information, you are encouraged to do so. The law provides that lender may neither discriminate on the basis of the information, nor on whether you chose to supply it. Under Federal Regulations, the City of Gloucester is required to note race and sex on the basis of visual observation or surname. If you do not wish to furnish this information, please check the box below.

Applicant:

_____I do not wish to provide this information

Ethnicity:

_____Hispanic or Latino

Race:

_____White

_____Black/African American

_____Asian

_____American Indian/Alaskan Native

_____Native Hawaiian/Other Pacific Islander

_____Am. Indian/Alaskan Native & White

_____Asian & White

_____Black /African Am. & White

_____Am. Indian/Alaskan & Bl/African Am.

_____Other multi-racial

Co-Applicant:

_____I do not wish to provide this information

Ethnicity:

_____Hispanic or Latino

Race:

_____White

_____Black/African American

_____Asian

_____American Indian/Alaskan Native

_____Native Hawaiian/Other Pacific Islander

_____Am. Indian/Alaskan Native & White

_____Asian & White

_____Black /African Am. & White

_____Am. Indian/Alaskan & Bl/African Am.

_____Other multi-racial

Sex: _____Female _____Male

Female Head of Household: _____Yes _____No

## ACKNOWLEDGEMENT AND AGREEMENT

The applicant(s) certifies that all information provided in this application is true to the best of his/her knowledge and belief and no information has been excluded, which might reasonably affect a judgment regarding the applicant's eligibility. Signing this application will give the City of Gloucester's Grant Office the right to obtain verification from any source named herein.

ALL APPLICANTS MUST SIGN BELOW:

PENALTY FOR FALSE OR FRAUDULENT STATEMENT U.S.C.

TITLE 18, SECTION 1001, PROVIDES

"Whoever, in any matter, within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statements or entry, shall be fined not more than $10,000 or imprisoned not more than five (5) years or both."

Applicant's Signature: _____ Date: _____

Co-Applicant's Signature: _____ Date: _____

*Note: Submission of an application does not guarantee that there will be assistance available for you, nor does certification of income eligibility automatically qualify you to receive services. Income eligibility will be recertified at the time of assistance.

All loans are subject to City, State, and Federal laws, rules, regulations, and requirements, and are subject to the availability of funds.

Applications will not be considered complete until all information and statements have been documented to the satisfaction of the Community Development Department.

# HUD INCOME GUIDELINES –2016

Median Family Income $98,100

**HUD INCOME GUIDELINES:** Effective March 2016

| | 1 Person | 2 People | 3 People | 4 People | 5 People | 6 People |
|---|---|---|---|---|---|---|
| **Very Low** | $20,650 | $23,600 | $26,550 | $29,450 | $31,850 | $34,200 |
| **Low** | $34,350 | $39,250 | $44,150 | $49,050 | $53,000 | $56,900 |
| **Moderate** | $51,150 | $58,450 | $65,750 | $73,050 | $78,900 | $84,750 |

**Your Household Adjusted Gross Income must fall at or below the 80% HUD Income Guidelines for eligibility in programs.** AGI is found on your Federal Income Tax Form #I040.

FAIR MARKET RENTS (Includes Utilities)

| Final FY 2016 FMRs By Unit Bedrooms | | | | |
|---|---|---|---|---|
| Efficiency | One-Bedroom | Two-Bedroom | Three-Bedroom | Four-Bedroom |
| $1,056 | $1,261 | $1,567 | $1,945 | $2,148 |

*Over 4 bedrooms add 15% per each additional bedroom.