



2023-2024 OWNER-OCCUPIED HOME REHABILITATION PROGRAM

COMMUNITY DEVELOPMENT BLOCK GRANT
City of Victoria, Texas

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I. PROGRAM OVERVIEW

The City of Victoria OWNER-OCCUPIED HOME REHABILITATION PROGRAM (Program) has been established to assist low- to moderate-income homeowners in the City of Victoria (City) with decent, affordable housing for their families. This program is designed to help low- to moderate-income homeowners, including elderly and disabled persons, to make repairs to their residence.

The objectives of the Program include:

- to maintain and stabilize the quality of existing homes in the City by providing a means to carry out maintenance and prevent deterioration;
- to reduce the number of substandard owner-occupied housing units in the City;
- to enhance the visual quality of the City; and
- to partner with other community housing programs.

Funding will be provided to the Program from the City's Community Development Block Grant (CDBG) entitlement. The Program reflects the guidelines and administrative requirements of the U.S. Department of Housing and Urban Development (HUD) and is subject to change to conform to changes in the rules and regulations.

The City shall have the right to change, modify, or revoke all or any part of the PROGRAM guidelines, as they see fit to ensure compliance with all federal, state, and local regulations./

II. PUBLIC AWARENESS

The City will advertise that it is accepting applications for the Program through local news releases, the City's website and/or the City's social media. CDBG staff will also make Program requirements available to the public through printed materials and online through the City website.

For more information or questions regarding the Program, citizens may contact Development Services – CDBG Division by phone, fax, mail, and/or email. Citizens are also welcome to visit the Development Services – CDBG Division office in person. CDBG staff will respond to all inquiries in a timely fashion.

III. ELIGIBLE APPLICANTS

1. Eligible applicants must be low- to moderate-income homeowners as defined by HUD (Section 8 definitions). A low- to moderate-income homeowner has an annual household income of 80 percent or less of the City's median household income, adjusted for household size.

2023 City of Victoria Household Income Limits	
Number of Persons In Family	Annual Family Income
1	\$41,000
2	\$46,850
3	\$52,700
4	\$58,550
5	\$63,250
6	\$67,950
7	\$72,650
8 or more	\$77,300

**Figures are subject to change on an annual basis.*

2. Applicants must be a resident of the City of Victoria and live in the home to be rehabilitated before applying for Program assistance.
3. Applicants must own the single-family dwelling as their primary residence.
4. If applicable, applicants agree to remove all abandoned appliances, junk vehicles, trash, rubbish, etc. from the property before assistance is rendered and must resolve any outstanding Code Enforcement cases and liens.

IV. PROPERTY ELIGIBILITY REQUIREMENTS

1. A property must be feasible for rehabilitation as determined by a cost estimate and structural evaluation completed by Program Staff and the contractor. Assistance **will not be approved** for a project with a cost estimate above Program Maximum Limits. CDBG staff will evaluate and determine the highest priority items to stay within Program Limits.
2. Program assistance will **not** be provided for a manufactured/mobile home as that term is defined in 24 CFR 201.2 by HUD.
3. Program assistance to rehabilitate a structure located in the 100-year floodplain or floodway effective under Resolution 97-145 will be evaluated by CDBG staff to determine the feasibility of the rehabilitation. If the residence is in close proximity to the border of the 100-year floodplain an "Elevation Certificate" will be required to document whether or not the lowest finished floor of the house is above the base flood elevation and in compliance with the City's Floodplain Ordinance and applicable FEMA regulations.
4. **All** delinquent property taxes **must** be paid on the property prior to applying for Program Assistance, or the applicant must have qualified for and received a tax deferral as allowed under Section 33.06 of the Texas Property Tax Code. Written verifications must be documented in the applicant's file.

V. ELIGIBLE ACTIVITIES

If a homeowner qualifies for assistance, the following rehabilitation activities are eligible:

- Improvements which ensure the health and safety of the occupants or assist in preventing neighborhood blight,
- Roof repair and reshingling:
- Essential exterior improvements to meet city building codes,
- Accessible and/or adaptable improvements for persons with disabilities,
- Exterior repairs that increase the life of the structure, including exterior painting and weatherization, and
- Lead hazard reduction in accordance with HUD Lead-Based Paint Regulations (24 CFR Part 35). Rehabilitation work on housing built before 1978 that is financially assisted with Federal funds is subject to requirements that control lead-based paint hazards. The repair of any painted surface that is disturbed during work will require a clearance examination to ensure compliance. As applicable, a risk assessment will be conducted to identify lead-based paint hazards and perform interim control measures to eliminate any hazards that are identified.

CDBG Staff will inspect and assess each selected property and complete an Initial Rehabilitation Assessment prior to the preparation of an estimate. See Section VIII for additional program requirements.

VI. PROGRAM ASSISTANCE

1. Selected applicants will receive Program assistance through a grant with no repayment.
2. The *maximum* Program assistance per household is **\$25,000** per home rehabilitation, which shall each include a contingency of 10%. Due to unforeseen circumstances a homeowner may be allotted an additional contingency budget upon the approval of the Program Staff, if the home does not contain lead based paint.
3. Participation in this Program is voluntary and relocation assistance will not be provided.
4. Applicants will be required to allow a contractor selected by the City to complete a risk assessment, paint testing, on-site needs assessment, and project cost estimates.
5. Assistance **will not be approved** until all assessments have been completed and a determination has been made that the property is feasible for rehabilitation.
6. A contractor selected by the City will be authorized to complete the itemized improvements.
7. If Program assistance is expended on a project that is terminated by the homeowner prior to completion, the homeowner must repay the funds to the Program.
8. The applicant agrees as part of receiving the Program Assistance as described herein to maintain and keep the property in good repair after the completion of work.
9. A forgivable lien will be placed on any property for the amount of assistance for 3 years. Owners must occupy the property during the life of the lien or repair costs are subject to repayment.

VII. APPLICATION & SELECTION PROCESS

1. The City will advertise that Program funds are available and provide applications to applicants to determine if they meet the guidelines.
2. All applicants ***must*** fully complete the Program application.
3. Applications will be accepted and reviewed for completeness and all deficiencies shall be noted. The Program has the right to request information necessary to determine income and proof of homeownership.
4. Applicants must provide **all** information requested in the Program application that applies to their household and complete **all** required forms. Intentional falsification of the application will be subject to rejection and the applicant will not be allowed to reapply to this Program.
5. Applicants will be notified in writing of their application status and will be provided five (5) working days at the end of the application period to correct any deficiencies, if necessary. ***In the event the deficiencies are not resolved, the application will be rejected.***
6. Applicants will be selected from the applications on a first come, first served basis, depending upon application completeness.
7. Applicants deemed ineligible for rehabilitation may request a review by the CDBG Staff on a case-by-case basis. Applicants will be notified in writing of the decision. Applicants who have been determined ineligible may submit a written appeal of the denial to the Development Services Director. A written response shall be issued within 10 days of the request.
8. CDBG Staff and the applicant will complete an Initial Rehabilitation Assessment. The CDBG Staff will contract with the lead-based paint risk assessor (if applicable) and all other necessary contractors to prepare a cost estimate and work write-up.
9. Program Staff executes the following:
 - Rehabilitation Contract
 - Program Agreement
 - Program Guidelines *APPLICANT'S ACKNOWLEDGEMENT* page
 - Lead Hazard Information Pamphlet and Disclosure [24 CFR 35.910, 24 CFR 35.130], "Protect your Family from Lead in Your Home"
 - Notices of Hazard Evaluation and Reduction [24 CFR 35.910, 24 CFR 35.125]. If lead is present, the occupants must be notified of any lead hazard evaluation results, hazard reduction activities, and clearance.
10. CDBG Staff schedules work with the contractor and works with the owner on a timeline for project completion. Applicants may voluntarily move out during work. Relocation assistance is not provided when the applicant moves out voluntarily. All household contents that may be in the way of the rehabilitation must be removed/removed before the start of the project.

VIII. PROGRAM REQUIREMENTS

1. The application shall contain characteristics of the household residing at the address, income data for **all** household members over 18 years old and current housing costs. The Program has the right to request information necessary to determine income, paid taxes and proof of homeownership.
2. CDBG Staff will determine the final project cost estimate and specifications that are applicable to the rehabilitation work. The estimates shall be within the maximum Program assistance limits.
3. CDBG Staff shall provide a floodplain determination prior to granting any assistance.
4. Bidding and selection of a contractor will be obtained in accordance with Federal, State, and local City rules and regulations.
5. Program assistance will be undertaken only through a written contract. The contractor will only perform the work listed on the detailed Work Write-Up and approved change orders. CDBG Staff is responsible for all contracting activities necessary to execute the Program.
6. All surfaces for homes built prior to January 1, 1978 and readily accessible to children **under six years of age** must be:
 - a) Free of cracking, scaling, peeling, chipping and loose paint, or
 - b) Adequately treated or covered to prevent access to lead-based paint.
7. Lead Hazard Evaluation [24 CFR 35.930]. Paint will be tested to determine the presence of lead and a risk assessment to identify lead-based paint hazards for deteriorated, disturbed and/or friction surfaces. Homeowners will be provided with information about the hazards of lead-based paint. Certified personnel shall complete all testing.
8. Lead Hazard Reduction [24 CFR 35.930]. Interim controls shall be performed on the hazards identified by the risk assessment. Trained workers or workers supervised by a certified supervisor are required in accordance with 24 CFR 35.1330(a)(4). Personnel will follow all HUD regulations for assuring compliance with these requirements.
 - Clearance [24 CFR 35.1340]. Safe work practices and occupant protection must be performed, except when the disturbed paint is below the de minimis levels as stated, at Section 24 CFR 35.1350(d). The de minimis levels are:
 - Interior lead-based paint surfaces disturbed smaller than 2-sq.ft or 10 percent of the total surface area of any small area surface.
 - Exterior surfaces disturbed smaller than 20-sq.ft.
 - Occupants may not enter the worksite during lead hazard reduction activities. Reentry is permitted only after lead hazard reduction activities are completed and the worksite has passed an interim clearance examination.
 - The attached disclosures of information on lead-based paint hazards will be signed by each owner acknowledging receipt.
9. CDBG Staff shall submit a **Notice to Proceed** prior to granting any services. The following documentation shall be submitted with the Notice to Proceed:
 - Work Write-Ups – The work write-up should be detailed with specific references to the location, size, type, and costs itemization of repairs.
 - Contracts/Agreements – Any executed contracts for project services.

- All proper permits must be obtained prior to the commencement of any work.
10. The City will pay the contractor based upon submission of a *Draw Request* and supporting documentation. Payment will be made only for eligible expenses actually incurred by the contractor.
 11. The Contractor shall submit a **Certificate of Completion** to the City in order to receive final payment. The homeowner's signature is required on the Certificate stating that the work is complete. A final inspection and building code inspection shall be required to assure performance standards have been achieved and passed inspection.
 12. All work performed by a contractor shall be covered by a one year guarantee which requires the contractor to correct any inadequacies, as determined by the CDBG Staff, in the work performed under the contract.
 13. The homeowner agrees that the City has no liability for warranty of any workmanship or materials furnished by the contractor under the rehabilitation contract. The owner also agrees that the City has no responsibility for any defects, faulty work, or incomplete work by a contractor.
 14. The homeowner agrees that conditions in the property which were not included in the original inspection, work write-ups and approved change orders are not the responsibility of the contractor or the City but remain the responsibility of the homeowner.
 15. In the event a dispute exists between the applicant and the contractor with respect to the rehabilitation work, CDBG Staff shall take appropriate action in accordance with the provisions of the construction contract to assure that the applicant is satisfied before any payment is made to the contractor. In the event a dispute cannot be resolved, the Director of Development Services shall consider all pertinent facts and shall decide an appropriate course of action to resolve the dispute.
 16. Work shall meet all Federal, State and City Building code regulations in the performance of this contract.
 17. Other Federal requirements must be followed, including fair housing, equal opportunity and conflicts of interest.
 18. The Applicant File Checklist shall be used to document all project information that is contained in the project files. File documentation for each address shall be on file for 4 years after the completion of the project.

IX. APPLICANT’S ACKNOWLEDGEMENT

Applicant’s Acknowledgement:

I have received and read the Owner-Occupied Home Rehabilitation Guidelines and understand my responsibilities set forth in these guidelines.

Applicant’s Signature

Date

Applicant’s Signature

Date

X. INFORMATION DISCLOSURE ON LEAD-BASED PAINT AND HAZARDS

Lead Warning Statement:

Every owner of a residential dwelling built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduce intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women.

By 1996, federal law requires that individuals receive certain information before renting, buying, or renovating pre-1978 housing which involve CDBG assistance to families.

Applicant’s Acknowledgment (initial):

- _____ (a) Presence of lead-based paint or lead-based paint hazards (**check one below**):
- Known lead-based paint and/or lead-based paint hazards are present in the home (explain) _____
- Homeowner has no knowledge of lead-based paint and/or lead-based paint hazards in the home.
- _____ (b) Owner has received the pamphlet *“Protect Your Family from Lead in Your Home”* and the EPA pamphlet *“Renovate Right”*.
- _____ (c) CDBG Official has informed the homeowner of the obligations under 24 CFR 35.3.