



Assistance Policy
For the 2016 Cycle of the Urgent Repair Program

What is the Urgent Repair Program? The City of Burlington has been awarded \$75,000 by the North Carolina Housing Finance Agency (“NCHFA”) under the 2016 cycle of the Urgent Repair Program (“URP16”). This program provides funds to assist very-low and low-income households with special needs in addressing housing conditions which pose imminent threats to their life and/or safety or to provide accessibility modification and other repairs necessary to prevent displacement of very-low and low-income homeowners with special needs such as frail elderly and persons with disabilities. A total of 15 households are projected to be assisted under URP16.

This Assistance Policy describes who is eligible to apply for assistance under URP16, how application for assistance will be rated and ranked, what the form of assistance is and how the repair/modification process will be managed. The City has tried to design this URP16 project to be fair, open, and consistent with the City’s approved application for funding and with NCHFA’s URP Program Guidelines.

The funds provided by NCHFA come from the North Carolina Housing Trust Fund.

Eligibility: To be eligible for assistance under URP16 applicants must meet the following requirements.

- 1) Must reside within Alamance County and own and occupy the home in need of repair.
- 2) Must have a household income which does not exceed 50% of the County median income for the household size (see income limits below).
- 3) Must have a special need (i.e be elderly, ≥ 62 years old, handicapped, or disabled, a single parent with a dependent living at home, a Veteran, a large family with ≥ 5 household members or a household with a child below the age of six with an elevated blood lead level (between 10 µg/dl and 20µg/dl)).
- 4) Must have urgent repair needs, which cannot be met through other state or federally-funded housing assistance programs.

URP Income Limits for City of Burlington*

Number in Household	30% of Median Income (very low income)	50% of Median Income (low income)
1	\$11,200	\$18,600
2	\$12,800	\$21,250
3	\$14,400	\$23,900
4	\$15,950	\$26,550
5	\$17,250	\$28,700

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6	\$18,550	\$30,800
7	\$19,800	\$32,950
8	\$21,100	\$35,050

***Income limits are subject to changed based on annually published HUD HOME Limits.**

Selection of applicants: The City has devised the following priority system to rank eligible applicants, determine which of them will be selected for assistance and in what order. Under this system applicants will receive points for falling into certain categories of special needs and income. The applications will be ranked according to which receive the most points. The NCHFA Program guidelines require that a minimum of 50% of the households assisted must have incomes which are less than 30% of the area median income for the household size, and no household with an income exceeding 50% of the area median income will be eligible. This guideline will be adhered to strictly and will be the primary factor in selection of those households served under the grant.

Priority Ranking System for the City

Special Needs (see definitions below)	Points
Elderly Head of Household (62 or older)	4
Disabled Head of Household	4
Military Veteran	4
Emergency	3
Disabled or Elderly Household Member (not Head of Household)	3
Single Parent Household (with one or more children in the home)	3
Large Family (5 or more permanent residents)	2
Elevated Blood Levels	2
Income (See Income Table Above)	Points
Less than 30% of County Median Income	10
30% to 50% of County Median Income	5

Recipients of assistance under the URP16 will be chosen by the above criteria without regard to race, creed, sex, color, or national origin.

The definitions of special needs’ population under the URP16 are as follows:

- **Elderly:** An individual aged 62 or older.
- **Disabled:** A person who has a physical, mental or development disability that greatly limits one or more major life activities, has a record of such impairment, or is regarded as having such an impairment.
- **Military Veteran:** One who served in the active military, naval, or air service (i.e. Army, Navy, Air Force, Marine Corps, and Coast Guard), and who was discharged or released there from conditions other than dishonorable.
- **Emergency:** A situation where a household member has an immediate threat of being evicted or removed from a home due to health or safety issues within a timeframe that the program can complete a repair to stop eviction or removal.
- **Large Family:** A large family household is composed of five or more individuals; at least four are immediate family members.

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- **Head of Household**: The person or persons who own(s) the house.
- **Household Member**: Any individual who is an occupant (defined below) of the unit to be rehabilitated shall be considered a “household member” (the number of household members will be used to determine household size and all household members are subject to income verification).
- **Occupant**: An occupant is defined as any immediate family member (mother, father, spouse, son/daughter of the head of the household, regardless of the time of occupancy); or non-immediate family member who has resided in the dwelling at least three month prior to the submission of the family’s application.
- **Single-Parent Household**: A household in which one and only one adult resides with one or more dependent children.
- **Child with elevated blood lead level**: A child below the age of six with an elevated blood lead level between 10 µg/dl and 20µg/dl.

What is the form of assistance under URP16? The City will provide assistance to homeowners, whose homes are selected for repair/modification in the form of a loan. Homeowners will receive an unsecured deferred, interest-free loan, forgiven at a rate of \$1,000 per year, until the principal balance is reduced to zero.

What is the amount of the loan? The amount of the loan will depend on the scope of work necessary to address the identified imminent threats to life and/or safety, and that will be determined by the city’s rehabilitation specialist. There is no minimum to the amount of the loan; however the maximum life-time limit according the guidelines of URP16 is \$8,000.

What kinds of work will be done? Only repairs that address imminent threats to the life and/or safety of occupants of the dwelling unit or accessibility modifications will be performed under the City’s URP16. It should be noted that all deficiencies in a home may not be rectified with the available funds.

All work that is completed under URP16 must meet or exceed NC State Residential Code for One and Two Family Dwelling and be done in compliance with all state or local permitting, inspections, licensing and insurance requirements including the Renovation, Repair, and Painting rule.

Who will do the work on the homes? The City is obligated under URP16 to ensure that quality work is done at reasonable prices and that all work is contracted through a fair, open and competitive process. To meet those very difficult requirements, the City will invite bids only from contractors who are part of an approved contractors’ list.

The City has an existing approved contractors’ list for its existing Homeowner Housing Rehabilitation Program. If other contractors wish to apply they are welcome to do so through the following process:

- 1) Fill out a contractor’s questionnaire form which includes references, financial information, and recent jobs completed.
- 2) Provide appropriate licenses and liability insurance.
- 3) The City will pull a credit report to determine financial security.

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Each project will be bid to the approved contractor and the lowest responsive and responsible bidder will be selected for the contract. Responsive and responsible” means the contractor (1) is deemed able to complete the work in a timely fashion, and (2) that the bid is within 10% on the low end of the City’s nominal amount or 15% on the high end of the City’s nominal amount.

What are the steps in the process, from application to completion? Now that you have the information about how to qualify for the City of Burlington’s URP16, what work can be done, and who will do it, let’s go through all the major steps in the process:

- 1) **Completing an Application Form:** Homeowners who wish to apply for assistance must do so by September 16, 2016. Apply by contacting Staci Harris, Community Development Technician, at 336-222-5093. Proof of ownership and income will be required. Those who have applied for housing assistance from the City in the past will not automatically be reconsidered. A new application will need to be submitted.
- 2) **Preliminary inspection:** The City's Rehabilitation Specialist and Community Development Technician will visit the homes of potential loan recipients to determine the need and feasibility of repairs/modifications.
- 3) **Screening of applicants:** Applications will be rated and ranked by the City based on the priority system outlined on page 2. The households to be assisted will be selected by October 14, 2016. Household income will be verified for program purposes only (information will be kept confidential). Ownership of property will be verified along with other rating factors. From this review, the ten (10) most qualified applicants will be chosen according to the priority system described above. There will also be a list of four (4) alternates.
- 4) **Applicant interviews:** Approved applicants will be provided detailed information on assistance, program repair/modification standards and the contracting procedures associated with their project at this informational interview.
- 5) **Work write-up:** The City's Rehabilitation Specialist and Community Development Technician will visit the home again for a more thorough inspection. All parts of the home must be made accessible for inspection, including the attic and crawlspace, if any. The owner should report any known problems such as electrical short circuits, blinking lights, roof leaks and the like. The Rehabilitation Specialist will prepare complete and detailed work specifications (known as the "work write-up"). A final cost estimate will also be prepared by the Rehabilitation Specialist and held in confidence until bidding is completed.
- 6) **Formal agreement:** After approval of the work write-up, the homeowner will sign a formal agreement that will explain and govern the repair/modification process. This agreement will define the roles of the parties involved throughout the process.
- 7) **Bidding:** The work write-up and bid documents will be mailed to approved contractor’s list who will be given one week in which to inspect the property and prepare bid proposals. The names of the invited contractors will be supplied to the homeowner. Each will need access to those areas of the house, in which work is to be performed, in order to prepare a bid. A

bid opening will be conducted at the Community Development office at a specified date and time, with all bidders and the homeowner invited to attend.

- 8) **Contractor selection:** Within 24 hours of the bid opening, after review of bid breakdowns and timing factors, the winning bidder will be selected. All bidders and the homeowner will be notified of (1) the selection, (2) the amount, (3) the amount of the City's cost estimate, and (4) if other than the lowest bidder is selected, of the specific reasons for the selection.
- 9) **Execution of loan and contract:** The loan will be executed as well as the repair/modification contract. This contract will be between the contractor and the homeowner, with the City signing as an interested third party.

If funding is available, project related support costs up to the amount of \$800 will be included in the loan document. If any additional funding is available above and beyond hard and support costs, the loan document will additionally include a contingency amount of up to 10% for any unforeseen project costs during the course of the project. The total loan amount will never exceed \$8,000. If the contingency amount is not used during the course of the project, then the appropriate Estoppel paperwork will be completed to represent the actual project costs.

- 10) **Pre-construction conference:** A pre-construction conference will be held at the home. At this time, the homeowner, contractor and program representatives will discuss the details of the work to be done. Starting and ending dates will be agreed upon and disposition of items to be removed from the home (such as old plumbing, etc.). Within 24 hours of the pre-construction conference, the City will issue a "proceed order" formally instructing the contractor to commence by the agreed-upon date.

- 11) **Construction:** The contractor will be responsible for obtaining any required building permits for the project before beginning work. The permit must be posted at the house during the entire period of construction. Program staff will closely monitor the contractor during the construction period to make sure that the work is being done according to the work write-up (which is made a part of the rehabilitation contract by reference) and in a timely fashion. The appropriate trade from the Inspections Department will inspect new work for compliance with the State Building Code as required by the guidelines of URP15. The homeowner will be responsible for working with the contractor toward protecting personal property by clearing work areas as much as practicable.

- 12) **Change Orders:** All changes to the scope of work must be reduced to writing as a contract amendment ("change order") and approved by all parties to the contract: the owner, the contractor and two representatives of the City of Burlington. If the changes require an adjustment in the loan amount, a loan modification stating these changes in the contract amount must be completed by the City, and executed by the owner.

- 13) **Payments to contractor:** The contractor will be paid following inspection of and satisfactory completion of items on the work write-up, as well as, the receipt, by the city, of the contractor's invoice and a release of liens, signed by any sub-contractors employed on the job and by material suppliers from whom materials for the job were purchased.

14) Post-construction conference: Following construction the contractor and the Rehabilitation Specialist will sit down with the homeowner one last time. At this conference the contractor will hand over all owner's manuals and warranties on equipment. The contractor and Rehabilitation Specialist will go over operating and maintenance requirements for any new equipment installed and discuss general maintenance of the home with the homeowner. The homeowner will have the opportunity to ask any final questions about the work.

15) Closeout: Once each item outlined in section 13 has been satisfied and the homeowner has signed a Certificate of Satisfaction, the job will be closed out.

What are the key dates? If, after reading this document, you feel that you qualify for this program and wish to apply, please keep the following dates in mind:

Applications available to the public starting July 11, 2016.

- Applications must be turned in at the City of Burlington Planning Department by 4:00 PM on September 16, 2016.
- Clients to be assisted will be selected by October 14, 2016.
- All rehabilitation work must be completed by December 1, 2017.

How do I request an application? Just contact:

Staci Harris, Community Development Technician
City of Burlington
Planning Department
425 S. Lexington Ave.
Burlington, NC 27215
336-222-5093

Is there a procedure for dealing with complaints, disputes and appeals? Although the application process and repair/modification guidelines are meant to be as fair as possible, the City of Burlington realizes that there is still a chance that some applicants or participants may feel that they are not treated fairly. The following procedures are designed to provide an avenue for resolution of complaints and appeals.

During the application process:

1. If an applicant feels that his/her application was not fairly reviewed or rated and would like to appeal the decision made about it, he/she should contact Shawna Tillery, Community Development Administrator within five days of the initial decision and voice their concern. If the applicant remains dissatisfied with the decision, the detailed complaint should be put into writing.
2. A written appeal must be made within 10 business days of the initial decision on an application.
3. The City of Burlington will respond in writing to any complaints or appeals within 10 business days of receiving written comments.

During the repair/modification process:

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1. If the homeowner feels that repairs or modifications are not being completed according to the contract, he/she must inform the contractor and the Rehabilitation Specialist or Community Development Technician.
2. The Rehabilitation Specialist will inspect the work in question. If he finds that the work is not being completed according to contract, the Rehabilitation Specialist will review the contract with the contractor and ask the contractor to remedy the problem.
3. If problems persist, a mediation conference between the homeowner and the contractor may be convened by the Rehabilitation Specialist and Community Development Technician and facilitated by the City's Community Development Administrator and Planning Director.
4. Should the mediation conference fail to resolve the dispute, the Planning Director will render a written final decision.
5. If the Rehabilitation Specialist finds that the work is being completed according to contract, the complaint will be noted and the Rehabilitation Specialist, Community Development Technician and the homeowner will discuss the concern and the reason for the decision.

Note: For a final appeal please send all correspondences to Donna Coleman, Community Development Coordinator, NCHFA, 3508 Bush St. Raleigh, NC 27609, 91-981-5006.

Will the personal information provided remain confidential? Yes. All information in applicant files will remain confidential. Access to the information will be provided only to City employees who are directly involved in the program, the North Carolina Housing Finance Agency and auditors.

What about conflicts of interest? No officer, employee or other public official of the City, or member of the City Council, or entity contracting with the city, who exercises any functions or responsibilities with respect to URP16 shall have any interest, direct or indirect, in any contract or subcontract for work to be performed with program funding, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. Relatives of City employees, Council Members and others closely identified with the City, may be approved for rehabilitation assistance only upon public disclosure before the City Council and written permission from NCHFA.

What about favoritism? All activities under URP16, including rating and ranking applications, inviting bids, selecting contractors and resolving complaints, will be conducted in a fair, open and non-discriminatory manner, entirely without regard to race, color, religion, national origin, sex, familial status and disability.

What is the marketing and referral process of the program? The City will market the program through its own website, development of a press release, publication in the citywide City-Works publication, publication in the local newspaper and through the United Way's Community Council listserv, and Alamance County Community Services Agency. Many homeowners assisted through the Urgent Repair Program may also need other services. When the Urgent Repair Program staff meets the homeowner during the work write-up process, they will discuss the resources and programs available in the City and provide pamphlets and a list of the agencies with contact information. With the homeowner's permission, a case file will be created and a staff person will follow up with the homeowner concerning the available services in the referral network.

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Who can I contact about URP16? Any questions regarding any part of this application or program should be addressed to:

Shawna Tillery
Community Development Administrator
Planning Department
425 S. Lexington Ave.
Burlington, NC 27215
336-222-5094
stillery@ci.burlington.nc.us

Staci Harris
Community Development Technician
Planning Department
425 S. Lexington Ave.
Burlington, NC 27215
336-222-5093
stharris@ci.burlington.nc.us

These contacts will do their utmost to answer questions and inquiries in the most efficient and correct manner possible.

This Assistance Policy is adopted this 19th day of July 2016.

Mayor