

Hampton Regional Housing Rehabilitation Program

Hampton, Chaplin, Eastford, Pomfret & Scotland

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INFORMATION FOR PROPERTY OWNERS

The Hampton Regional Housing Rehabilitation Program provides financial and technical assistance for residential properties where households who are low- or moderate-incomes live. The income limits are those established by HUD and implemented through the Connecticut Department of Economic and Community Development (*see last page for current income limits*). To be eligible for participation, the property must be located in Hampton, Chaplin, Eastford, Pomfret or Scotland and be in need of rehabilitation. Both single- and multi-family homes may qualify for assistance. Eligibility of multi-family properties is based on the tenants' income.

What Assistance is Available?

Financial Assistance is provided to eligible households for up to 100% of the cost of rehabilitation. The actual percentage of assistance varies based on an owner's income level and/or the presence of rental units. When the Program contributes less than 100% of the cost of rehabilitation, it can assist homeowners to locate bank financing or, under certain conditions, consider waiving the homeowner's contribution if the household cannot obtain a loan. Financial assistance is in the form of a zero interest, Deferred Payment Loan (DPL). The loan is secured by a lien placed on the property and filed with the Town Clerk. The loan functions as a grant to the current property owner as long as the current owner resides in the property or transfers the property within the family. The amount of assistance provided must be repaid at sale of the property.

The total amount of assistance available for a rehabilitation project can be up to \$30,000 per unit. In addition, project caps will be increased for additional costs relating to lead paint hazard reduction (\$10,000), asbestos abatement (\$3,000), septic system or well replacements (\$5,000), accessibility modifications (\$5,000), or historic preservation (\$5,000).

All homes constructed prior to 1978 either will be assumed to contain lead paint or tested for the presence of lead paint. The extent and level of lead paint hazard reduction will vary depending on the type of rehabilitation to be provided.

If a combination of the conditions described above exist, the combined total maximum assistance will be \$45,000 for LMI owner-occupants and \$40,000 per unit for over-income owner-occupants (in multi-family properties) and investor owners. The eligibility for over-income owner-occupants and investor owners to receive financial assistance is based on the household income of a tenant. Cases requiring amounts in excess of those shown immediately above will require a waiver from the Citizens Advisory Committee (CAC) in the applicant's community. Within these maximum limits, the financial assistance provided will be based on the condition of the property; properties requiring funding levels below these caps will receive the actual amount of funding needed.

Technical Assistance is provided to homeowners by the Town's Housing Rehabilitation Specialist. The Rehabilitation Specialist assists homeowners in determining the repairs needed and performs periodic inspections during construction to insure the work is done properly.

What Work can be Done?

Building code and serious maintenance problems are the first priority of the program. The scope of work allowed includes the correction of existing code violations, preventative maintenance, and other reasonable items requested by the owner and approved by program staff. Correction of code violations is a non-negotiable item in the scope of work to be undertaken through the program.

Ineligible items include obvious luxury construction (i.e., whirlpools, swimming pools) and, usually, additions or work to non-residential structures such as garages and sheds.

Properties that have potential historic significance must be rehabilitated in accordance with the requirements of the State Historic Preservation Office.

What is the Process?

Step 1: The property owner submits an application.

Applications are available in Selectmen's offices in each participating community and through the Program Office in the Hampton Town Hall, Rte 97. The phone number is 860-455-0738 (please leave a message on the answering machine). Office hours are Tuesdays 10:00AM-1:00PM and Thursdays 10:00AM to 4:00PM.

The property owner is asked to submit an application, income documentation and a copy of the deed to the property. If there are rental units in the property, additional information will be requested.

The application and documentation are reviewed to determine if the owner (and/or tenants) and property are eligible to participate.

Step 2: The scope of work is determined with the Rehabilitation Specialist.

Once the property and residents are determined to meet eligibility requirements, the Housing Rehabilitation Specialist schedules an appointment to visit the property and conduct a preliminary inspection. The Specialist works with the homeowner to ensure that all items of concern are considered.

Following the visit, the Housing Rehabilitation Specialist prepares work specifications for eligible rehabilitation items for review by the homeowner. Changes to the specifications may be requested by the owner at this time. Agreed-upon changes are made part of the specifications. The property owner signs off on the specifications, indicating approval of them.

If lead paint is determined to be present, the Rehabilitation Specialist may require additional lead testing. In any event, the condition of the lead paint and the extent/cost of needed rehabilitation will determine the scope of lead paint remediation required. For health and safety reasons, homeowners may be required to relocate temporarily during lead paint remediation. Homeowners may be eligible for assistance if temporary relocation is necessary. Tenants will be assisted with the cost of temporary relocation.

Step 3: The Project is put out to bid.

Program staff sends Invitations to Bid to local contractors who have registered and meet program requirements. Other contractors may be invited to bid at the request of the homeowner with the understanding that these contractors must also meet program requirements.

Generally, those contractors who wish to bid on the project meet at the home with the Rehabilitation Specialist at a pre-bid showing to review the specifications and ask questions prior to preparing their bids. All bids are due at the Program office by a set date and time.

Step 4: The Contractor is selected.

All bids received are reviewed for accuracy and completeness. Financial assistance to the homeowner is based on the lowest, responsible bid from a qualified contractor. The owner may select another bidder but will be required to pay the difference between the low bid and the chosen bid.

Contracts are prepared by Program staff. They include:

- An agreement between the Town and the owner for financial assistance.
- A construction agreement between the contractor and owner for work to be performed.
- A notarized lien to ensure that the grant funds are repaid to the Program when the property is sold.

- A rental agreement for those properties containing rental units that limits the rent that can be charged and ensures the units will remain accessible to low- and moderate-income households for a minimum of five years following completion of the work.

When the documents are ready, an appointment is made with the contractor and homeowner to sign the documents and to discuss the scope and schedule of construction. All documents must be signed before construction starts.

Step 5: Construction begins.

A “Notice to Proceed” with the work is issued to the contractor, usually at the time the contract is signed. The local building official is also notified of the pending work. The Housing Rehab Specialist makes periodic inspections during construction. Concerns and changes to the project scope and schedule must be directed to the Rehabilitation Specialist to ensure that the work proceeds according to program parameters and owner expectations. If change orders are required, the Rehabilitation Specialist will evaluate the request based on the severity of the condition and the amount of funding available. All parties must sign change orders prior to the work being done.

Unlike the arrangement that is commonplace with many contractors, no advance payment is made before the contractor starts the job. Contractor payments are based on the amount of work actually completed. Invoices for completed work are received in the Program Office. On approval of the Rehab Specialist, payments are issued in the form of two-party checks which require the signature of the property owner and the contractor. The property owner’s signature signifies satisfaction with work completed to date.

Program policies prohibit the owner from making side agreements with the contractor for extra work while the work assisted by the Program is ongoing.

Step 6: Construction is complete.

The Rehabilitation Specialist makes a final inspection and creates a punch list of incomplete work, as needed. Once all work is complete and satisfactory, a final inspection form is signed by the homeowner and Rehabilitation Specialist. Contractors must submit warranty forms and any manufacturer’s warranties prior to payment of their final invoice. All work is guaranteed by the contractor for one year following project completion.

Program staff is available to assist property owners throughout the process. Please contact the Program Office at 455-0738 on Tuesdays 10:00AM-1:00PM and Thursdays 10:00AM to 4:00PM.

A copy of the Hampton Regional Housing Rehabilitation Program Guidelines is available upon request.

**HAMPTON REGIONAL HOUSING REHABILITATION PROGRAM
INCOME LIMITS
(as of May 14, 2010)**

Household Size:	Chaplin, Eastford, Hampton, Pomfret & Scotland Income Limits (Windham County)	
	50% of median:	80% of median:
1 person:	\$28,250	\$45,100
2 persons:	\$32,300	\$51,550
3 persons:	\$36,350	\$58,000
4 persons:	\$40,350	\$64,400
5 persons:	\$43,600	\$69,600
6 persons:	\$46,850	\$74,750
7 persons:	\$50,050	\$79,900
8 persons:	\$53,300	\$85,050

For income limits for households larger than 8 persons, contact our office. These income limits change periodically. The program uses the most current income limits in effect at the time that an application is processed for an eligibility determination.

The Hampton Regional Housing Rehabilitation Program is funded through a grant from the Connecticut Department of Economic and Community Development (DECD) Small Cities Program and is governed by the regulations set forth by DECD. The Program is administered through the Hampton Board of Selectmen's Office by Community Opportunities Group, Inc., a firm under contract to the Town of Hampton. The Program is an Equal Housing Opportunity provider.

A large print copy of this document or other formats of this information are available on request by calling the Hampton Regional Housing Rehabilitation Program at 860.455.0738.

