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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

September 5, 1980

CITY MANAGER'S OFFICE

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SEP 11 1980

Redevelopment Agency of the
City of Sacramento
Sacramento, CA

CITY GOVERNING BOARD

- Phillip L. Isenberg, Mayor
- Lloyd Connelly
- Lynn Roble
- Blaine H. Fisher
- Thomas R. Hoerber
- Douglas N. Pope
- John Roberts
- Anne Rudin
- Daniel E. Thompson

Honorable Members in Session:

SUBJECT: Community Development Rehabilitation
Grant Program Guidelines

SUMMARY

COUNTY GOVERNING BOARD

- Illa Collin
- C. Tobias (Toby) Johnson
- Joseph E. (Ted) Sheedy
- Sandra R. Smoley
- Fred G. Wade

Attached is a Resolution by which you approve Guidelines for the Community Development Rehabilitation Grant Program.

BACKGROUND

EXECUTIVE DIRECTOR

William G. Seline

P.O. Box 1834
Sacramento, CA 95809
630 I Street
Sacramento, CA 95814
(916) 444-9210

The Community Development Rehabilitation Grant Program provides a maximum of \$5,000 in grant funds to low-income property owners in the Oak Park and Del Paso Heights Areas. These funds are used toward the cost of correcting Building, Health and Safety Code Violations. The Program was originally funded in fiscal year 1976-77 and was again funded in 1977-78. The Program was not allocated funds in 1978-79 nor 1979-80. In February 1979, the Budget and Finance Committee approved in concept the reinstatement of the Program and referred the matter to the Project Area Committees and Sacramento Housing & Redevelopment Commission for the Development of specific guidelines for administration of the Program. The Committee approved the reinstatement in concept of the Program with the inclusion of the following conditions:

- 1) Grants be made available to low-income residents in the Del Paso Heights and Oak Park areas.
- 2) The Grant be utilized for Code Violations.
- 3) A tenure requirement be included in the Program for possible repayment of the Grant.

APPROVED
SACRAMENTO REDEVELOPMENT AGENCY

Date 9/16/80

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

Redevelopment Agency of the
City of Sacramento
CD Grant Guidelines
Page Two

All of the above conditions have been included within the Guidelines. The Guidelines have been reviewed and approved by the Oak Park and Del Paso Heights Project Area Committees.

FINANCIAL DATA

The CD Grant Program has been allocated \$350,000 in CDBG funds for 1980-81.

VOTE & RECOMMENDATION OF COMMISSION

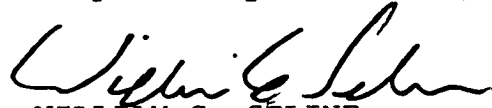
At its regular meeting of September 3, 1980, the Sacramento Housing and Redevelopment Commission members passed a motion adopting the attached Resolution. The votes were recorded as follows:

AYES: Knepprath, Luevano, A. Miller, Serna, Teramoto,
Walton, B. Miller
NOES: None
ABSENT: Coleman, Fisher

RECOMMENDATION

It is recommended that you adopt the attached Resolution.

Respectfully submitted,



WILLIAM G. SELINE
Executive Director

TRANSMITTAL TO COUNCIL:



WALTER J. SLIFE
City Manager

Contact Person: Leo Goto

RESOLUTION NO. 2938

Adopted by the Redevelopment Agency of the City of Sacramento:

September 16, 1980

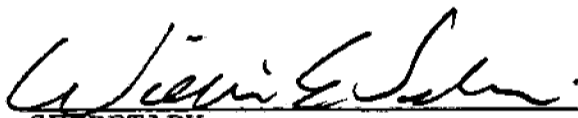
APPROVING ADMINISTRATIVE GUIDELINES FOR THE
COMMUNITY DEVELOPMENT REHABILITATION GRANT PROGRAM

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF
SACRAMENTO:

Section 1. The Administrative Guidelines for the Community
Development Rehabilitation Grant Program, attached hereto as
Exhibit A, are hereby approved.

CHAIRPERSON

ATTEST:



SECRETARY

APPROVED
SACRAMENTO REDEVELOPMENT AGENCY

Date 9/16/80

ADMINISTRATIVE GUIDELINES
for the
COMMUNITY DEVELOPMENT REHABILITATION
GRANT PROGRAM

Sacramento Housing and
Redevelopment Agency
630 "I" Street
Sacramento, CA 95814

TABLE OF CONTENTS

<u>Chapter #</u>		<u>Page #</u>
1	General	1
2	Eligibility Requirements.	4
3	Applicant's Income.	5
4	Property Appraisal.	7
5	Limitation on Amount of Grant	8
6	Costs Includable in a CD Grant.	8
7	Processing and Submissions for a CD Grant	10
8	Terms and Conditions Under Which CD Grants are Made.	12
9	Funding of an Individual CD Grant and the Management of the Rehabilitation Escrow Account	15
10	Determining the Work to be Done With a CD Grant	18
11	Contracting for the Rehabilitation Work	19
12	CD Grant Closeout	21
13	Information to be provided to Project Area Committees.	22

CHAPTER 1

GENERAL

A. Introduction

The Community Development Rehabilitation Grant Program has been developed by the neighborhood Project Area Committees, the City of Sacramento, and the Sacramento Housing and Redevelopment Agency.

The Program will provide grants for property rehabilitation to eligible low-income families within the Del Paso Heights and Oak Park. Community Development Block Grant Areas in the City of Sacramento.

The Community Development Rehabilitation Grant Program will be administered by the Sacramento Housing and Redevelopment Agency. The Sacramento Housing and Redevelopment Commission and the Project Area Committees will advise on the planning and implementation of the program. Program evaluation will be performed annually by the City, Agency and PAC Staffs. General program guidelines and procedures have been developed in order to implement the Community Development Rehabilitation Grant Program and to provide for its proper administration.

1. Legal Authority for the Community Development Rehabilitation Grant Program.

The Community Development Rehabilitation Grant Program is authorized by Resolution of the City Council of the City of Sacramento. The Program is funded with Community Development Block Grant and other appropriate funds.

2. Definitions.

Following are definitions of various terms as used with respect to the Community Development Rehabilitation Grant Program.

a. Community Development Rehabilitation Grant Program

Hereafter referred to as CD GRANT PROGRAM.

b. Community Development Rehabilitation Grant

Hereafter referred to as CD GRANT.

c. Community Development Block Grant Area

An area designated and approved by the City of Sacramento and eligible for community development activities under the Community Development Act of 1974, hereafter referred to as CD GRANT AREA.

d. Sacramento Housing and Redevelopment Agency

Hereafter referred to as AGENCY.

e. Approving Officer

The Executive Director of the Sacramento Housing and Redevelopment Agency, or his designee, with the authority for the final approval of CD GRANT applications.

f. Residential Property

A property which is used for residential purposes and contains one single-family living unit. A living unit is defined as a single unit providing complete independent living facilities including permanent provisions for living, sleeping, eating, cooking, and sanitation.

CHAPTER 1 - General (Cont'd)

g. Owner-Occupied Property

A property occupied by the legal owner as shown by official records of the Sacramento County Recorder's Office or the State of California.

h. Housing Standards and Codes

The local governing housing standards and codes and other pertinent health and safety regulations as applicable to existing properties.

i. Rehabilitation Cost

The total costs of repairs for rehabilitation that can be includable in a CD GRANT, whether or not financed in part with funds from other sources.

j. Incidental Costs

Those eligible costs incurred by a CD GRANT recipient in the process of obtaining a CD GRANT.

k. Work Write-up and Cost Estimate

A statement based on the property inspection report that describes the repair work to be done on the property and includes a total estimate of the costs.

l. Property Rehabilitation Specialist

The AGENCY staff person responsible for making property inspections, preparing Property Inspection Reports and recommending housing repairs with respect to the CD GRANT PROGRAM.

m. City Housing Official

The CITY staff person responsible for assisting to make property inspections and recommending repair work with respect to the CD GRANT PROGRAM.

CHAPTER 1 - General (Cont'd)

n. Applicant(s)

The person or persons who hold legal and/or equitable title to the property to be rehabilitated.

o. As-Is Appraisal

The highest price which a property will bring prior to rehabilitation if exposed for sale on the open market.

CHAPTER 2

ELIGIBILITY REQUIREMENTS

This chapter sets forth the eligibility requirements pertaining to the applicant and the property for a CD GRANT.

A. Requirements Applicable to all CD GRANT Applicants

1. An applicant for a CD GRANT shall have legal and/or equitable title to the property vested in his/her name for twelve (12) continuous months prior to the date the CD GRANT Application is approved by the APPROVING OFFICER.
2. The applicant shall have resided permanently on the property for at least twelve (12) continuous months prior to the date the CD GRANT Application is approved by the APPROVING OFFICER.
3. The applicant's annual family income shall be within the limits defined in Chapter 3 - APPLICANT'S INCOME.

B. Requirements Applicable to all Properties

1. CD GRANTS shall be made only for a residential property located within the Oak Park and Del Paso Heights CD Grant Areas.

CHAPTER 2 - Eligibility Requirements (cont.)

2. The property shall be an owner-occupied property.
3. The property must need repairs to meet minimum Housing Standards and Codes.

C. Intent of CD GRANT

CD GRANTS are intended for hardship cases to avoid displacement of homeowners.

All of the applicant's financial resources shall be shown in the grant application and certified thereto by the applicant and shall be reviewed and considered by the Agency in determining the applicants's eligibility for grant assistance.

CHAPTER 3

APPLICANT'S INCOME

A. General

CD GRANT assistance shall only be given to those applicants whose gross family income, plus 10% of the value of family assets, is within the very low-income category as defined by the Department of Housing and Urban Development.

B. Applicant's Family

The applicants's family includes the applicant and any other persons who permanently occupy the property.

C. Applicant's Family Income

Family income means all regular income of the applicant and the applicant's family, including:

CHAPTER 3 - Applicant's Family Income (cont.)

1. Payments, such as Unemployment and Disability compensation, Social Security pensions and benefits, SSI/SSP benefits, Worker's Compensation and dismissal wages.
2. Gross wages and salaries, including compensation for regular overtime and all other compensation for personal services, such as commissions, fees, tips and bonuses.
3. Net income from operation of a business or profession.
4. Interest, dividends and net income of any kind from real or personal property.

D. Applicants Family Assets

The applicants family assets shall mean the value of equity in real property other than the applicant's principal place of residence, savings, stocks, bonds and other forms of capital investment.

CHAPTER 4

PROPERTY APPRAISAL

A. General

An As-Is Appraisal will be required on every property to be rehabilitated with a CD GRANT. The AGENCY shall make a preliminary evaluation to ascertain that grant approval is likely before requesting an appraisal.

1. Appraisal to be part of CD GRANT file.

The completed appraisal report shall be part of the AGENCY's grant application file. The estimates of value, remaining economic life after rehabilitation, and age of the structure shall be reflected in the appraisal report.

B. Appraisal Fee

The AGENCY shall disperse funds from the Rehabilitation Account on behalf of a CD GRANT applicant to pay for the cost of obtaining an appraisal. The AGENCY may engage fee appraisers to provide the appraisal report.

C. Advancing Funds for Appraisal Fee

The AGENCY shall advance funds on behalf of the CD GRANT applicant to pay for the cost of an appraisal. At grant closeout, the AGENCY shall disperse funds from the Rehabilitation Escrow Account to pay for the appraisal fee as an eligible incidental expense. In the event a CD GRANT application is disapproved or is withdrawn or cancelled by the applicant, the cost of the appraisal shall be come an eligible program cost.

CHAPTER 5

LIMITATION ON AMOUNT OF GRANT

The maximum amount of a CD GRANT shall not exceed \$5,000 or the rehabilitation cost, whichever is less. If the grant is insufficient to meet the repair cost, the AGENCY will attempt to assist the applicant to secure funds from other available sources. If the rehabilitation cost exceeds the amount of funds available from all sources including the CD GRANT, the AGENCY will attempt to modify the list of repair items as necessary to reduce the repair cost.

In modifying the list of repair items, priority for repairs shall be given to those items the Rehabilitation Specialist and/or City Housing Official determines are of an "emergency and most hazardous nature" and therefore necessary for correction because of an immediate health and safety hazard. The property owner shall be consulted if modifications become necessary.

CHAPTER 6

COSTS INCLUDABLE IN A CD GRANT

A. General

A CD GRANT may be made only with respect to a property needing repairs to meet Housing Standards and Codes. Costs includable in a rehabilitation grant are the costs of: (1) meeting the requirements of Housing Standards and Codes, (2) correct-in incipient violations, and (3) building permits and related fees.

CHAPTER 6 - Costs Includable in a CD GRANT (cont.)

B. Appliance Repair/Replacement

A CD GRANT may include an amount for the repair or replacement of a built-in kitchen stove if the existing appliance is inoperable.

C. Incipient Violations

A CD GRANT may be used for rehabilitation work necessary to correct incipient violations. An incipient violation exists if, at the time of inspection, it is thought that the physical condition of an element in the structure will deteriorate into an actual violation.

1. Examples of Different Types of Incipient Violations

- a. A heat exchange in a furnace may be expected soon to become inoperative or hazardous because of its age, condition and/or use. A CD GRANT may provide for purchasings and installings of new heat exchanger. If the heat exchanger could not be separately replaced, the grant may provide for replacing the entire furnace.
- b. A roof has one or more small leaks that can be patched at low cost, but the roof probably will continue to develop leaks. A CD GRANT could provide for replacing the entire roof.

D. Incidental Costs

A CD GRANT may provide for the cost of the following incidental expenses:

1. Structural Pest Control Report.
2. Appraisal.
3. Building Permits and related fees.

CHAPTER 7

PROCESSING AND SUBMISSIONS FOR A CD GRANT

This chapter sets forth for each CD GRANT:

1. An outline of the functions that may be performed by the AGENCY.
2. The policies and procedures for preparing, processing, and approving a CD GRANT application.

The AGENCY and/or CITY may assist the eligible applicant by performing the following functions.

FUNCTION

1. PAC and AGENCY staff may interview and advise the property owner on the general rehabilitation objectives for the area, the Community Development Program and the objectives of the CD GRANT.
2. PAC and AGENCY staff may advise the property owner on the availability and benefits of a CD GRANT.
3. PAC and AGENCY staff may assist with the application and its submittal.
4. AGENCY staff sets up grant file.
5. Determine adequacy of title for a grant by verifying ownership by citation from official records of the Sacramento County Recorder's Office or State of California.
6. Obtain following information with respect to the applicant:
 - a. For all properties: (1) Verification of Deed of Trust from each holder of Lien secured by the property.
 - b. For all applicants: (1) Verification of employment and earnings, and/or income.

CHAPTER 7 -Processing and Submissions for a CD GRANT (cont)

7. Determine eligibility of the applicant for a CD GRANT.
8. Inspect the property.
9. Obtain an appraisal.
10. Prepare a preliminary work write-up and cost estimate of the rehabilitation work.
11. Determine maximum amount of grant that applicant may receive.
12. Consult with applicant on preliminary work write-up and cost estimate.
13. Prepare final work write-up and cost estimate for applicant's approval.
14. Prepare rehabilitation contract documents and obtain bids and proposals from Contractors.
15. Assist applicant in selecting acceptable Contractor.
16. Prepare final CD application.
17. Transmit recommended grant application to the APPROVING OFFICER.
18. Prepare for and carry out grant settlement.
19. Deposit grant funds in the AGENCY'S rehabilitation escrow account.
20. Issue Proceed Order for construction work.
21. Contractor obtains necessary permits.
22. Inspect rehabilitation work and make progress payments as provided in Construction Contract. (No payments to be issued without necessary permits.)
23. Assure compliance with Federal Labor Standards Provisions.
24. Assure compliance with Equal Employment Opportunity requirements.
25. Agency and/or City makes final inspection of completed rehabilitation work.
26. Obtain homeowner's approval of complete work.
27. Make final payment of Contractor for completed rehabilitation work.

CHAPTER 7 - Processing and Submissions for a CD GRANT (cont.)

28. Prepare Statement of Disposition of Funds and complete grant closeout.
29. File Notice of Completion and Notification of Sale of Property documents to comply with the tenure requirements.

CHAPTER 8

TERMS AND CONDITIONS UNDER WHICH CD GRANTS ARE MADE

This chapter sets forth CD GRANT terms and conditions to which an applicant must agree in order to obtain a CD GRANT.

The Applicant/Homeowner shall agree to abide by the following terms and conditions.

1. Purposes of CD GRANT

The Applicant agrees to use the grant proceeds to accomplish the rehabilitation of his property to the extent determined by the Work Write-Up.

2. Cancellation and Acceleration of Amounts Due

At its option the AGENCY and/or CITY or its designee, reserves the right to cancel and terminate this CD GRANT by sending written notice of cancellation to the Applicant at his mailing address as set forth in the application if, for a period of 45 days from the date of CD application approval, the Applicant shall have failed or refused to cause the commencement of physical rehabilitation work on his property, or if the Applicant shall have failed or refused to complete such rehabilitation work within a reasonable time. AGENCY and/or CITY's failure to exercise this right shall not be deemed a waiver thereof, as long as the rehabilitation work remains incomplete.

3. Contract for Rehabilitation

The applicant agrees to carry out all rehabilitation specified in the CD GRANT Work Write-Up. The rehabilitation will be completed through a written contract between the property owner and contractor. An owner-participant contractor shall execute a written contract with the Agency.

4. Inspection of Property and Work

AGENCY and/or CITY shall have the right to inspect the property prior to rehabilitation activities and to inspect periodically, all rehabilitation work financed, in whole or part, with the proceeds of the CD GRANT, and will inform the Applicant of any noncompliances with respect to the Contract for the rehabilitation work. The applicant shall take all necessary steps to assure that the AGENCY and/or CITY is permitted to examine and inspect the rehabilitation work, and all contracts, materials, equipment, payrolls, and conditions of employment pertaining to the work, including all relevant data and records.

5. Civil Rights

Comply with Title VI of the Civil Rights Act of 1964, to not discriminate upon the basis of race, color, creed or national origin in sale, lease, rental and use of occupancy of the property receiving assistance.

6. Equal Employment Opportunity

Abide by the provisions of Executive Order 11246 concerning equal employment opportunity.

7. Accomplishment of Work

Assure that the repair work will be carried out promptly and efficiently, through assistance from the AGENCY.

CHAPTER 8 - Terms and Conditions (cont.)

8. Interest of Public Employee or Official

Allow no employee or official of the AGENCY and/or CITY to have any interest, direct or indirect, in the proceeds of a CD GRANT.

9. Fee, Commission, or Gifts

Pay no fee or commission and make no gifts to any person exercising any functions or responsibilities, direct or indirect, in connection with the administration of the CD Program.

10. Tenure Requirement

CD GRANT recipients will be required to repay the proceeds of the grant if the property is sold, transferred or otherwise disposed of for a period of three (3) years after the completion of rehabilitation work. The repayment of the grant shall be made according to the following tenure schedule:

<u>Length of time expired following completion of work</u>	<u>Amount of Grant recipient must repay</u>
Less than 1 year	100%
1 - 2 years	50%
2 - 3 years	25%
3 or more years	0%

11. Tenure Requirement Exemption

In the event of the death of the applicant during the tenure period, the CD GRANT proceeds will not have to be repaid as long as the title to the property is retained by or transferred to an immediate member of the applicant's family.

Immediate family member is the applicant's husband or wife, father or mother, son or daughter.

CHAPTER 8 - Terms and Conditions (cont.)

12. Information to the Homeowner

The AGENCY shall keep the owner informed as to progress or delays in the work.

CHAPTER 9

FUNDING OF AN INDIVIDUAL CD GRANT AND THE MANAGEMENT
OF THE REHABILITATION ESCROW ACCOUNT

This chapter sets forth policies for funding the individual CD GRANT for the AGENCY management of the rehabilitation escrow account.

1. Funding a CD GRANT

After grant settlement the AGENCY shall deposit the appropriate CD GRANT amount in the AGENCY's rehabilitation escrow account.,

2. CD GRANT Supplemented by Other Funds

If a CD GRANT is to be supplemented by other funds, those supplemental funds may be deposited in the rehabilitation escrow account with the CD GRANT amount.

3. Management of Rehabilitation Escrow Account

A bank account shall be maintained as the depository of all CD GRANTS that are funded, as well as for supplemental funds provided by the Applicant.

4. Separate Account For Each Borrower

The AGENCY shall establish and maintain a separate account for each Applicant who has received a CD GRANT. All receipts and disbursements made for the Applicant shall be recorded in the account.

CHAPTER 9 - Funding and Management (cont.)

a. Disbursements from the Rehabilitation Escrow Account

Disbursements from the rehabilitation escrow account shall be made only for the following purposes, as appropriate for each Applicant:

- (1) To make progress and final payments for rehabilitation work to the Contractor, Subcontractor, and Supplier.
- (2) To make payment for eligible incidental costs.
- (3) To close out the rehabilitation escrow account by appropriately disbursing any unutilized funds remaining in the rehabilitation escrow account to the CD GRANT Budget.

b. Progress and Final Payment to Contractors

Upon receipt of a Contractor's invoice for a progress payment, and following an AGENCY and/or CITY inspection of the work, the AGENCY shall make payments not to exceed 80% of the amount due the Contractor for the work satisfactorily complete. The remainder due the Contractor shall be withheld pending satisfactory completion of all the work as set forth in the contract. When all the work is found to be satisfactorily completed in accordance with the contract, the AGENCY shall obtain from the Contractor a release of Liens, the AGENCY shall make final payment no sooner than Thirty-five (35) days following the recorded Notice of Completion. The amount of the final payment check shall include, if applicable, any progress payment sums previously withheld but due the payee.

c. Guarantees and Material Warranties

Guarantees and material warranties shall be provided in accordance with the Construction Contract Conditions of the Contract.

CHAPTER 9 - Funding and Management (cont.)

d. Adjustment and Closeout of the Rehabilitation Escrow Account

Usually disbursements made for the purpose stated under Paragraph 4.a. "Disbursement from the Rehabilitation Escrow Account" will close out the rehabilitation escrow account. However, if unutilized funds remain in the rehabilitation escrow account because the actual rehabilitation costs were less than anticipated or for other reasons, the unutilized funds shall be disbursed to apply to the CD GRANT Budget.

e. Disposition of Funds Statement

After all funds have been disbursed from the AGENCY rehabilitation escrow account and the account has been closed the AGENCY shall prepare a Disposition of Funds Statement in which the AGENCY shall account for the disposition of the full CD GRANT account and any other funds deposited in the rehabilitation escrow account for the Applicant.

CHAPTER 10

DETERMINING THE WORK TO BE DONE WITH A CD GRANT

A. General

This chapter sets forth the functions to be performed by the AGENCY and/or CITY for determining the necessary rehabilitation work and for providing assistance in the rehabilitation of the property.

1. Inspect the property.
2. Prepare a preliminary work write-up and cost estimate of the work to be done.
3. Consult with and advise the owner on the work to be done and the availability and benefits of a CD GRANT.

B. Property Inspection

The AGENCY and/or CITY shall inspect the property and shall identify deficiencies which may be corrected through CD GRANT funds.

C. Work Write-Up and Cost Estimate

The AGENCY shall prepare a work write-up and cost estimate based on the property inspection that describes the rehabilitation work to be done on the property. The estimate shall be reasonable and shall reflect actual costs prevailing in the locality for comparable work. The completed work write-up shall be reviewed with and approved by the property owner.

The property owner shall be given a copy of the work write-up

D. Modifications to the Work Write-Up

All changes to be made to the Contract or Work Write-Up after the Contract has been executed shall be made only through written Change Order(s).

CHAPTER 11

CONTRACTING FOR THE REHABILITATION WORK

A. General

This chapter sets forth requirements and procedures with respect to Construction Contracts for rehabilitation financed through a CD GRANT.

General rehabilitation financed through a CD GRANT shall be undertaken only through a written contract between the Contractor and the Property Owner.

The contract will consist of a single-document signed by the Contractor and the Property Owner following the approval of the GRANT. It shall contain a bid and proposal by the Contractor, the contract agreement, and provision of general conditions as well as the specifications for the work to be performed.

B. Specifications

Specifications, based on the work write-up, covering the specific rehabilitation work for each property on which a CD GRANT will be made shall be prepared to show the scope of the work involved so that a fair bid for the work can be obtained. The specifications shall clearly establish the nature of the work to be done and the material and equipment to be installed.

C. Invitation to Contractor for Bid and Proposal

The procedures for inviting and obtaining a bid and proposal from a Contractor shall be as follows:

1. The AGENCY shall invite Contractors to bid competitively for the rehabilitation as identified in the work write-up and cost estimate.

D. Selection of Successful Bidder

1. Acceptable Contractors

A selected Contractor's business shall be of good reputation, financially sound, and have adequate financial resources to carry out his bid and proposal to do the necessary work.

E. Award of Construction Contract

1. Issuance of Proceed Order

At the time the award is made, the AGENCY shall remind the Applicant and the successful Contractor that the undertaking of the work covered by the Contract is subject to issuance of Notice of Proceed.

2. Contract Award

In the award of a Construction Contract for the rehabilitation work, the Property Owner and Contractor shall execute the original contract documents. The AGENCY will distribute copies of the executed contract documents to:

- a. The Contractor;
- b. The Applicant/Homeowner;
- c. The Agency Construction Contract and CD GRANT files; and
- d. The Agency Finance Department.

F. Inspection of Rehabilitation Work by the AGENCY/CITY

1. Payment for Satisfactory Work

If the AGENCY determines that the repair work completed is satisfactory, he shall:

- a. Obtain from the Contractor a lien release, a lien release from each Subcontractor and Supplier; and
- b. Prepare an Inspection Report and Request for Payment.

CHAPTER 11 - Contracting for Rehab Work (Cont'd)

The Property Rehabilitation Specialist shall forward the above lien release(s) and the Inspection Report and Request for Payment to the Loan Officer for review and payment.

The Loan Officer will record the payment in the grant file and forward the Inspection Report and Request for Payment to the Finance Department.

The Finance Department shall draw a check payable to the Contractor, Subcontractor, or Supplier in the amount due as approved by the Property Rehabilitation Specialist and Loan Officer, in accordance with Chapter 9, section 4.b.

CHAPTER 12

CD GRANT CLOSEOUT

This chapter sets forth the AGENCY's functions related to CD GRANT closeout and transmittal of related documents for a CD GRANT. After making the final inspection of the property and obtaining the homeowner's written acceptance of the work, the AGENCY shall make disbursements from the rehabilitation escrow account for the following, or other purposes as appropriate.

1. Make final payment to the Contractor, Subcontractor or Supplier.
2. Make payment for eligible incidental costs.
3. Apply remaining unutilized grant funds to the CD GRANT Budget.

After all funds have been disbursed from the rehabilitation escrow account and the account has been closed, the AGENCY shall prepare

CHAPTER 12 - CD Grant Closeout (Cont'd)

a Disposition of funds Statement in which the AGENCY shall account for the disposition of the full grant amount and any other funds deposited in the rehabilitation escrow account for the recipient.

CHAPTER 13

INFORMATION TO BE PROVIDED TO PROJECT AREA COMMITTEES

For those property owners who have given their written authorization to the AGENCY to provide the staffs of the Oak Park and Del Paso Heights Project Area Committees (PAC) staffs with documents regarding the rehabilitation of their properties, the AGENCY will provide copies of the following:

- 1) Copy of the approved Work Write-Up.
- 2) Copy of the rehabilitation Contract.
- 3) Copy of executed Change Orders.
- 4) Other documents deemed necessary, and as agreed upon by the AGENCY, for the PAC Staff to provide assistance to the Property Owner.

COMMUNITY DEVELOPMENT REHABILITATION
GRANT PROGRAM

Maximum Annual Income Limits

<u>Family Size</u>	<u>Maximum Annual Income</u>
1	\$6,850
2	7,850
3	8,800
4	9,800
5	10,600
6	11,350
7	12,150
8+	12,950

(Established July 1, 1980 by the
Department of Housing & Urban
Development)