

# LAKE WORTH CRA OWNER OCCUPIED RESIDENTIAL REHABILITATION GRANT PROGRAMS:

## *Residential Beautification Grant & Home Repair Grant*

### TERMS AND CONDITIONS

#### INTRODUCTION

The Lake Worth Community Redevelopment Agency (CRA) Home Repair Grant and the Residential Beautification Grant programs were developed to provide Low and Moderate Income, single-family homeowners with the financial assistance needed to make necessary improvements to their homes to increase their livability and life span. Grant funding is available on a “first come, first qualified, first served” basis and reimbursed as work is completed.

#### HOME REPAIR GRANT

The goal of the Home Repair Grant is to improve the quality of life for homeowners and residents in Lake Worth by assisting them with necessary repairs and property improvements to make homes safe, secure and sanitary. The focus of the Home Repair Grant is to provide funding for emergency repairs.

Home Repair Grant is for low-income, owner occupied households. Grants are limited to \$15,000 per dwelling during a three year period. Home Repair grants require no matching funds and do not need to be paid back.

Eligible Repairs include:

- Electrical and plumbing repairs
- Structural repairs – especially roofs, porches, windows, doors and foundations
- Repairs to meet City code (must be verified by City Building Official)
- Pest control work (inspection must reveal infestation)
- Repairs or replacement of water heaters
- Removal of asbestos or other potentially hazardous materials

Ineligible Repairs include:

- Additions
- Flooring, such as tile, hard wood, etc.
- New windows or doors
- New Cabinetry
- Repairs otherwise covered by home owners insurance
- Any luxury item – spa, hot tub, interior decorating, etc.

The CRA reserves the right and may require an inspection by the City Building Official or other CRA - contracted specialist to confirm that the proposed improvements or repairs are emergency in nature and necessary and that other potentially dangerous violations do not exist. The Goal of the Program is to ensure the safety and well being of the occupants and therefore, the CRA, in partnership with the City, will address and fund issues affecting life and safety in order of priority.

#### RESIDENTIAL BEAUTIFICATION GRANT

The Goal of the Residential Beautification Grant is to preserve the quality of the neighborhoods and assist homeowners with improvements, creating a sense of pride of ownership, preserving the value of the homes equity, as well as, the well being of the occupants.

The Residential Beautification Grant is for moderate income, owner-occupied households. This grant will provide up to \$10,000 in matching funds for the repair of certain exterior residential fixtures as well as the beautification of exterior portions of the site.

Eligible improvements include:

- Exterior painting
- Exterior door or window replacement
- Installation of a privacy fence (no chain link)
- Landscaping improvements (plans must abide by City Landscape Regulations – a brochure is available from Staff). Plans extensive in nature must be reviewed and approved by the City Horticulturist.
- Installation or repair of driveway
- Installation of hurricane shutters

Ineligible Improvements include:

- Swimming pool or hot tub/spa installation or repair
- Installation of satellite dishes
- Installation of new patio, porch or deck
- Interior Improvements

## **ELIGIBILITY REQUIREMENTS**

Qualification of applicants is determined by program staff according to the following guidelines.

General Eligibility Requirements (requirements for both grants):

- Applicants must reside within the Lake Worth CRA boundaries.
- All work must be performed by a licensed contractor who must obtain all necessary building permits from the City of Lake Worth Building Department. Applicants **must** meet with the City Planning Department to ensure all repair or improvements comply with City code and design guidelines.
- Applicants must prove that it is a homesteaded property and be the owner and occupant of the structure.
- Applicants must have gross annual incomes at or below the applicable income limits established by the 2008 U. S. Department of Housing and Urban Development (HUD) for the jurisdiction of West Palm Beach, Florida.
- The subject property taxes must be current.
- Standard property insurance must be maintained on the property. The property owner shall maintain the required insurance coverage during the entire term of the forgivable loan lien (2 years from completion).
- Mortgage payments on the property must be current.
- Grantees of either program are subject to a two year lien on their property after completion of work and payment is made from the CRA. If the amount of the project is not significant, the CRA will use its discretion to determine whether or not a lien is placed on a property. If a grantee sells their property within the two year lien period they will be required to payback funds disbursed on a prorated basis.
- All projects and improvements must comply with design guidelines as adopted by the Lake Worth CRA and the City of Lake Worth.
- The minimum requested amount for either grant is \$500. Projects must commence after applying and receiving an award. Any repairs or improvements underway will not be funded.
- Applicants will need to be approved by the CRA Board or Staff prior to beginning their projects in order to be funded.

**Home Repair Grant Eligibility Requirements (specific requirements)**

To become eligible for the Home Repair Grant, the applicant must reside in a household which does not exceed 80% of the area median income as reflected in the chart below:

For HOME REPAIR GRANT Eligibility	
Number of Persons in Household	Low Income (51%-80%)
1	\$38,750
2	\$44,300
3	\$49,800
4	\$55,350
5	\$59,800
6	\$64,200
7	\$68,650
8	\$73,050

**Residential Beautification Grant Eligibility Requirements (specific requirements)**

To become eligible for the Residential Beautification Grant, the applicant must reside in a household which does not exceed 120% of the area median income as reflected in the chart below:

For RESIDENTIAL BEAUTIFICATION GRANT Eligibility	
Number of Persons in Household	Moderate Income (81%-120%)
1	\$58,080
2	\$66,480
3	\$74,760
4	\$83,040
5	\$89,640
6	\$96,360
7	\$102,960
8	\$109,560

**CRA VERIFICATION PROCEDURES**

CRA staff will verify the following information through homeowner certification and/or a third-party source. The use or disclosure of information obtained from an applicant or applicant’s family member or from another source pursuant to this consent to release information form shall be limited to purposes directly connected with administration of the Residential Rehabilitation Program. Verification or certification of income and assets will be required to determine eligibility in both programs. The following original documents will be required for all applicants:

- Last year’s income tax return. (1040 form with W2’s for all household members).
- Drivers License or picture identification
- Written verification of all household income
- Last 3 paycheck stubs (if working)
- Last 3 months bank statements.
- Birth Certificates or Green Cards or all people living at the property.
- Declaration of property insurance (property and windstorm)
- Proof of child support or Alimony (if applicable)
- Proof of retirement or other income (if applicable)

## **CONDOMINIUM ASSOCIATIONS**

Any respective condo association within the CRA district may apply for the Residential Beautification Grant program only with a maximum grant of \$10,000. If your association is a mandatory association where all homes are required by deed to pay dues, you must include a copy of your current and previous year's operating budget with your application.

In order to qualify for funding, at least 50% of the units in the association must be homesteaded. The income verification requirement for condominium associations will be waived when applying for the Beautification Grant. Improvements and modifications must improve the appearance of the entire structure.

## **PROGRAM PROCEDURES**

All applications will be reviewed by CRA Staff to determine completeness and income eligibility.

1. Applicants must complete the application and return it to the City of Lake Worth CRA along with all the necessary documents.
2. Applicants will be reviewed by CRA Staff. Applicants will be notified within 30 days regarding their eligibility to participate in the program. A minimum of two (2) bids for all work from licensed contractors must be submitted. The bids will be reviewed for reasonableness and consistency. The CRA reserves the right and may require an inspection by the City Building Official to confirm that the proposed improvements or repairs are emergency in nature and necessary and that other potentially dangerous violations do not exist.
3. Once the application has been reviewed and if approved, either by Staff or by the CRA Board, a "Notification of Award of Grant" will be sent to the applicant.
4. The applicant then must notify the contractor and work may commence. All contractors must have a valid contractor's license and must obtain all necessary building permits.
5. When the approved work is complete, the applicant must contact CRA Staff and confirm, in writing, that all work is complete and satisfactory and submit all receipts and copies of final building inspections (if required) to the CRA office. Checks will not be released until all necessary paperwork is turned in.
6. Upon receipt of the required work, the CRA will perform a "verification inspection" to ascertain if all work has been completed. All repairs or improvements must be completed within nine months after the "Notification of Award of Grant" is received.

## **WARRANTIES FOR REPAIRS AND IMPROVEMENTS**

It is the responsibility of the property owner(s) to obtain any and all warranties for repairs and improvements from their respected general contractor either during or after work has commenced. It is suggested that property owners obtain at least a minimum one year warranty on any and all materials, a one-year warranty on roofing repairs, and a two-year warranty on the removal of all existing roofing and the replacement of a new roof. The property owner is responsible to notify the contractor of any warranty claims.

## **APPLICANT/PROPERTY OWNER OBLIGATION**

It is the goal of the Residential Rehabilitation Program to ensure that all work is completed in the highest quality and in a professional workmanlike manner and to ensure resident satisfaction to the highest extent possible, while ensuring effective and efficient administration and use of staff time. It is the applicants' responsibility to ensure all paperwork to the CRA is prepared and completed in a timely manner. If an applicant has difficulty with any requirements of the application or the CRA, CRA staff will guide them through the process.

- A. Upon completion of the proposed construction work and execution of the proper paper work, the CRA reserves the right to place a lien against the property for the full value of the

CRA's contribution to the project, as stated in the contract, executed by all parties. The lien will be in force for two years after the work is completed. The lien will also require that the property improvements are maintained\* for two years after completion.

- B. The amount of the loan shall be forgiven on a monthly-prorated basis over the two-year period. Should the property change ownership through sale during that period of time, the applicant will reimburse the CRA, from the sale's proceeds for that prorated portion of the loan that has not yet been forgiven, at zero percent interest. During the term of the forgivable loan, the property owner agrees to notify the CRA, in writing, within ten calendar days of a change in the ownership or foreclosure of the property
- C. Should the property change ownership through inheritance, the heirs will be responsible for clearing the lien by retaining ownership through the remainder of the two-year period or by making reimbursement to the CRA of the prorated portion, at zero percent interest, over the remainder of the two-year period.
- D. If the property is sold, transferred or assigned, other than through inheritance referenced in C above, the amount of the remaining balance of the forgivable loan due and payable to the CRA's Owner Occupied Residential Rehabilitation grant program must be satisfied by the original owner.

\* Maintenance

The Property owner agrees to operate and maintain the Project and Property in accordance with commonly-accepted industry standards for the life of the project. The Property owner shall keep and maintain the Project interior and exterior in good and safe condition and shall make repairs in a timely fashion. The Property Owner shall use all reasonable efforts to prevent damage or disrepair to the Project.