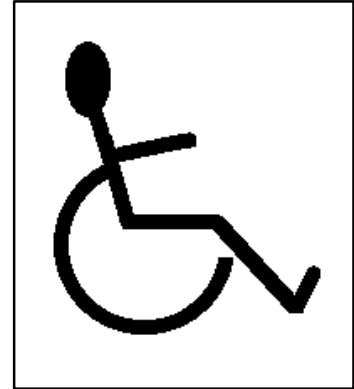




Owner Occupied Housing Rehabilitation Program

Program Guidelines



Program Description:

The City of Franklin may apply for a CDBG grant from the Indiana Housing & Community Development Authority for an Owner Occupied Housing Rehabilitation Program that is part of the overall comprehensive neighborhood stabilization community development program. Renovations will include those that will contribute to the overall improvement of the community.

Eligibility:

Eligibility Requirements include:

- Home must be located in the older downtown neighborhood of the City of Franklin.
- Total Annual Household Income may not exceed 80% of the area median income for Johnson County.
- Home must be the primary residence of the homeowner.
- Home may not be a mobile home or trailer (unless it meets 6 criteria provided by HUD)
- Home may not be located in a 100 year flood plane.
- Homeowner must have homeowners insurance.

Johnson County Income Limits:

The maximum gross annual household income may not exceed the limits below.

	1 Person House- hold	2 Person House- hold	3 Person House- hold	4 Person House- hold	5 Person House- hold	6 Person House- hold
Maximum Gross Annual House- hold Income	\$36,500	\$41,700	\$46,900	\$52,100	\$56,300	\$60,450

Beneficiary Selection:

All qualifying applicants will be served on a first come first serve basis until funding is depleted. Priority will be given to lower income homeowners those who are elderly, disabled or have minor children in the household.

Type of Assistance:

The City will be offering an Owner Occupied Housing Rehabilitation Grant to the income eligible homeowners of Franklin. The grant would require no payback as long as the homeowner continues to own and occupy the residence as his/her primary residence during the affordability commitment of the grant.

However, if a homeowner sells the property or ceases to occupy the property as his or her principle residence before the forgiveness period ends, they will be required to repay a pro-rated share of the repair costs provided by grant funds. .

Grant Funds Received	Number of Years to Forgive
Less than or equal to \$5,000	1 years
\$5,001.00 to \$10,000	2 years
Over \$10,000.01	3 years

Amount of Assistance & Eligible Uses of Funds:

The amount of funds will be determined by the assistance needed. Some homes will require more assistance due the size of the home, extent of the repair, etc. Repairs will be directly related to any of the 4 following categories: the results of the Energy Audit, Lead Based Paint Risk Assessment, Health or Safety Hazard, Structural Repair. Absolutely no upgrades that are solely related to the visual aesthetic are eligible for this program. This program in no way is a fix for every problem with every home. It is an assistance program and should be used only where absolutely needed.

Determining Rehabilitation Items of the Home:

A consulting firm will conduct a series of evaluations of the home to determine what rehabilitation items will be eligible for repair under this program. These evaluations are as follows.

Initial Inspection: The consulting firm will conduct an initial inspection that will help to identify items that are in need of repair. They will use the IHCD Priority List provided by the State as a guide for needed repairs. Homeowners can point out items that are issues for them. At this time homeowners can also request items that may be considered handicapped accessibility upgrades.

Lead Based Paint Risk Assessment: If any rehabilitation items will disturb paint in a home that is built before 1978, the home will have to undergo a Lead Based Paint Risk Assessment. This will identify any lead based paint hazards that exist on the inside or outside of the home. Any hazards identified as a result of the Risk Assessment will have to be remediated using the grant funds.

Health and Safety or Structural Repairs: If the homeowner has written verification from a 3rd party that a repair item, if not corrected, would result in the home being unfit for human habitation, it may become an eligible repair.

Aging in Place Improvements: Improvements that create an environment that is livable for an aging or disabled individual, ramps, raised toilets, etc.

Contractor Eligibility:

Contractors must meet the following criteria in order to be eligible to participate in the project.

- Must not appear on a debarred list with the State of Indiana
- Must carry liability and workmen's compensation insurance
- Must have attended the Environmental Protection Agency's Renovation, Repair and Painting course.
- Must be able to obtain a performance bond and payment bond for the amount of the contract.

Contractor Selection:

Because this is a Federally Funded Grant Program, certain procedures must be followed in the selection of a contractor. For this program, contractors will be selected through a competitive sealed bid process. A bidding document that contains all of the rehabilitation work identified on each home, specifications on materials and instructions to bidders will be created. A legal notice will be placed in the local news paper, notifying possible bidders of the project. All interested / qualified contractors will be sent a bid packet. In addition to those interested in the project, at least 2 Minority Business Enterprises or Woman Business Enterprises must be notified. Bidders must submit correct bid documents by the published deadline in order to be eligible. All bids will be evaluated and the lowest responsive and responsible bidder will be recommended to the community for the award of the contract.

Grievance Policy:

In the event a dispute arises between the property owner and the contractor with respect to the rehabilitation work, every attempt will be made to find an agreed upon solution by all parties. However, when a problem arises, it is the homeowner's responsibility to contact the contractor immediately and try to resolve the problem. If after the homeowner and the contractor have made a good faith effort to resolve their differences, and if such a dispute cannot be readily resolved by both parties, then the following steps should be taken:

- Notify the consulting firm in writing of all issues involved in the complaint.
- The consulting firm will, within seven (7) days, conduct a joint inspection of the disputed areas with the homeowner and contractor.
- The consulting firm will then submit their findings in writing to both the contractor and homeowner.
- Both homeowner and contractor will have seven (7) days to respond to the findings. If the firm does not receive a response within the required time frame, the firm will assume the issues have been resolved.
- If the dispute is still not resolved, the consultant will contact the City of Franklin. Together with the firm, they will review the facts carefully and objectively and agree on a course of action that is hopefully acceptable to both parties.
- If after informal mediation by the City of Franklin and the consulting firm, both parties still do not agree, the firm may make payments directly to the contractor, provided the work has been satisfactorily completed and certified by the firm. However, the nature of the dispute, those items under dispute, and their dollar amount will be recorded on the final inspection form and signed by the consulting firm.

Should the contractor be requested to obtain appropriate corrective action, payment will be withheld until the contractor has satisfactorily completed the necessary action.