

## CITY OF BRADFORD

### HOUSING REHABILITATION LOAN PROGRAM GUIDELINES

1. Applications will be accepted on a first come, first serve basis. A waiting list of applicants is kept according to the date of first contact with the City. Based upon availability of funding, the City will contact each applicant as their name comes to the top of the list.

The only exception to first come, first serve is in the case of “urgent need”. Should the City determine a property to have a safety hazard or the potential for additional property damage (ie. leaking roof), the application for assistance will be processed as soon as possible.

Upon selection, the application for assistance will be processed, first to determine ownership, status of taxes and utilities and income eligibility.

2. Properties to be rehabilitated must be located within the City limits.
3. The participant must hold title to the property to be rehabilitated and must reside therein. All taxes and city utilities must be current prior to approval of a rehabilitation loan. The property must be insured prior to loan approval. The participant must maintain the payment of taxes and utilities during the entire term of the loan. Participant must have good credit and the ability to repay a loan.
4. The grant recipient must be a member of household that falls within 120% of Section 8 Income Limits for McKean County (attached).
5. The loan will be based upon a rehabilitation cost of up to \$25,000. Participants will be eligible for a grant of up to 100% of the rehabilitation cost in the form of a 5% loan at a term to be determined based upon the participant’s ability to pay not to exceed fifteen years. Should the City determine that rehabilitation necessary to bring the structure up to IMPC Code Housing standards exceeds, the City may elect to provide additional loan funds to complete the work.
6. The City will file a mortgage on property, which will be satisfied at the time of full loan repayment. Should the participant sell the property or be found not to reside at the property address prior to the end of the loan term, participant will be required to repay the loan immediately.
7. The property rehabilitated with loan assistance will be insured against fire and casualty losses in at least the amount of the loan and contain a loss payment clause in favor of the City of Bradford. All properties located in

the 100 year floodplain must be covered by flood insurance prior to receipt of loan funds. The insurance must be maintained over the entire term of the mortgage.

8. Rehabilitation of all properties will be performed in accordance with International Property Maintenance Code Standards and all deficiencies must be addressed.
9. All properties will be inspected by the City's rehabilitation staff. A list of IPMC Code Housing violations along with the work write-up and cost estimate will be prepared by the City's rehabilitation staff. The listing of code violations and the work write-up will be reviewed with the participant prior to bid. Each participant will review the listing of pre-qualified contractors and select those contractors to which bids will be sent. The City will bid out the work and accept the bids. Once received, the bids will be reviewed with the homeowner. All contractors must show proof of liability insurance and provide references for pre-qualification prior to bid. A contract will be awarded to the lowest acceptable bid. The contract will be between the homeowner and the contractor.
10. The City will work in conjunction with the program participants in the selection of contractors, bid acceptance and performance of work.
11. All rehabilitation funds will be placed in a rehabilitation escrow account with payments to be made to the contractor after completion and homeowner approval. Any extra work performed beyond the scope of the City's project will be pre-arranged between the homeowner and contractor. Funds for the extra work will be provided by the homeowner and escrowed in an account held by the City.
12. Complaints and appeals which cannot be resolved between the contractor and the homeowner will be placed in arbitration.
13. In cases where a conflict of interest is present, the situation will be disclosed at a public meeting. A conflict of interest will apply to any person who is an employee, agent, consultant, officer, elected official or appointed official of the City of Bradford. Exceptions to the Conflict of Interest provisions may be granted by the Department of Community Affairs upon the City providing the following:
  - a. Evidence that a public disclosure of the conflict was made.
  - b. An opinion of the City solicitor stating that by granting an exception would not be in violation of any state or local law.

14. For all properties constructed prior to 1978, applicants shall be provided with the HUD publication titled "Protect Your Family From Lead in Your Home".
15. The City of Bradford will publicize the availability of housing rehabilitation program funds from time to time. Efforts will be made to encourage minority applications. Publication will depend upon the size of the waiting list.
16. The City of Bradford will make available to the public information concerning its housing rehabilitation program in general. However, information concerning participant files will be kept confidential unless permission is granted by the participant.
17. A copy of these guidelines will be provided to each participant at the time of application processing or at any time to the public upon request.