

HOME Program

Monitoring Homeowner Rehabilitation Projects

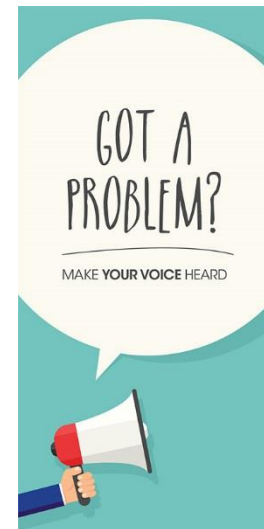


Policies and Procedures

- Is there a copy of the policies and procedures for the operation of the homeowner rehabilitation program in the file?
- Is there a resolution by the governing body adopting the policies and procedures in the file?
- Were the policies and procedures approved by THDA?
- Is there documentation in the Grantee's file?

Grievance Procedure

- Is there an established procedure for handling complaints?



Public Meeting

- Was a public meeting held to notify the public of the availability of assistance with the HOME grant?
- Was the public meeting advertised?

Public Meeting

- What is the date(s) and name(s) of the publication where the public meeting was advertised?
- Is the public meeting sign in sheet in the file?

Priority List

- Is there a selection process prioritizing eligible applicants?
- Is there a matrix or list of applicants demonstrating that the priority system has been followed?

Environmental Review

- Is the Environmental Review Record in the file?
- Is the release of HOME funds in the file?
- Did the Grantee use an Unspecified Site Strategy?
- If yes, is the site specific site checklist in each beneficiary's file?

Beneficiary file



Application for assistance

- Is there a complete application for rehabilitation assistance in each beneficiary's file?
- Has the application been signed and dated by the homeowner?

Income verification

- Is there income verification in the file for all persons living in the unit?
- Is the source of the income documentation acceptable?
- i.e. a copy of the beneficiary(ies) current social security statement; a copy of the current ssi statement; a minimum of two months current bank statements; a minimum of 4 pay check stubs; etc.
- If a household member has zero income, there must be a complete individual income calculation sheet in the file.

Re-verification of income

- If more than six months occurs between the date of the initial income verification and the executing of the homeowner rehabilitation contract, the homeowner's income must be re-verified prior to the start of the rehabilitation to verify that the household still meets the HOME program income requirements.

HOME Income limits

- The Grantee must determine that the household's annual income does not exceed the HOME income limits.
- The HOME income limits are determined by the number of people living in the home and the county where the home is located.

Income Limits

- HOME funds can only be used to assist:
- Households with a gross annual income at or below 80% of the area median income, adjusted for family size.
- HOME income limits are updated annually by HUD.

Proof of ownership

- The house **must** be the principle residence of the applicant at the time of application. The applicant must have resided in the house for at least one year prior to receiving assistance with HOME funds.
- Acceptable documentation of ownership is a recorded warranty deed; recorded quit claim deed; recorded life estate or recorded 99 year lease.

ERR Site Specific Checklist

- If the Grantee submitted a tiered Environmental Review, there must be a site specific checklist in each beneficiary's file.
- THDA must approve the site specific checklist prior to putting the project out to bid.
- There must be documentation of the approved site specific checklist in each beneficiary's file.

Fair Housing

- Each applicant must be given a copy of the “Fair Housing-Equal Opportunity for all” pamphlet.
- The Grantee must maintain documentation in their file showing that each applicant received a copy of the pamphlet.

Lead based paint pamphlet

- Each applicant whose house was built before 1978 must be given a copy of the *Protect Your Family from Lead* pamphlet.
- The Grantee must maintain documentation in their file showing that each applicant received a copy of the pamphlet.

Work write-up

- All work write-ups or plans and specifications must be approved by THDA prior to the project being put out to bid.
- Each page of the work write-up or plans and specifications must be initialed by the homeowner and the contractor.

Work write-up

- The Grantee must maintain a copy of the approved and initialed work write-up in each beneficiary's file.

Pre-1978 units

- If a unit was built prior to 1978, a lead-based paint risk assessment must be completed to determine if lead-based paint hazards exist prior to putting the project out to bid.
- Each beneficiary must be given a copy of the lead-based paint risk assessment. The Grantee must maintain documentation that the beneficiary received a copy of the lead-based paint risk assessment.

Pre-1978 units

- The Grantee must maintain documentation showing that the beneficiary received the lead based paint risk assessment.
- The Grantee must maintain a copy of the lead-based paint risk assessment in their files.
- If lead-based paint hazards exist, there must be a fully executed Rehabilitation Contract Addendum for Reduction of LBH (HO-12) in each beneficiary's file.

Pre-1978 units

- If lead-based paint hazards exist, a clearance test must be completed.
- Each beneficiary must be given a copy of the lead-based paint clearance test.

Pre-1978 units

- The Grantee must maintain documentation showing that the homeowner received a copy of the lead-based paint clearance test.

Approval for Assistance

- There must be a completed Approval for Rehabilitation Assistance form in each beneficiary's file.



Contractor Qualifications

- Are the contractor's qualifications in the file?
- Are the lead based paint risk assessor's credentials in the file?

Contractor Selection

- Is there a procedure for selecting contractor's?
- Is the process being followed?

Bid tabulation

- Each beneficiary's file must have a copy of the rehabilitation bid tabulation.
- All of the rehabilitation bids must be maintained in each beneficiary's file.

Bid Tabulation

- The lowest bidder should be awarded the bid. If the lowest bidder is not awarded the bid, there must be an explanation in the beneficiary's file stating why the lowest bidder was not awarded the bid.
- The Grantee must request approval from THDA when not selecting the lowest bidder.
- There must be documentation in the file.

Building Permit

- There must be a copy of all building permit(s) in each beneficiary's file.



Rehabilitation contract

- The rehabilitation contract must be signed and dated by the homeowner; contractor and witness.
- There must be a copy of the fully executed rehabilitation contract in each beneficiary's file.

Right of Recission

- There must be a completed Right of Recission HO-14 form in each beneficiary's file.

Change Order(s)

- If there are any change order(s), there must be a signed and dated copy in each beneficiary's file.
- If the change order(s) exceed 10% of the initial rehabilitation contract amount, the change order(s) must be approved by THDA's construction specialist.
- There must be documentation of approval from THDA in each beneficiary's file.

Rehabilitation Documents

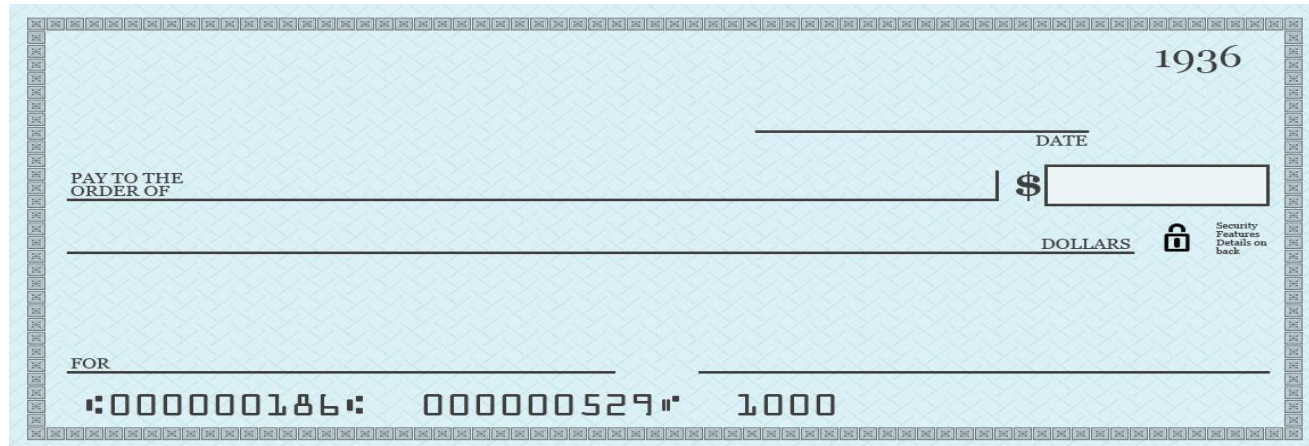
- The following fully executed rehabilitation documents must be in each beneficiary's file:
- Notice to Proceed HO-15
- Non-kickback Certification HO-21
- Inspection Reports

Rehabilitation Documents

- Certification of Completion and Final Inspection FM-7
- Building Official final inspection report
- Final Invoice, Release of Liens and Warranty HO-19

Payment to the contractor

- There must be a copy of all payments to the contractor in each beneficiary's file.



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After Rehabilitation Value

- There must be documentation in each beneficiary's file showing the after rehabilitation property value calculation and supporting documentation showing how the after rehabilitation property value was determined.
- The after rehabilitation property value limits cannot exceed 95% of the median purchase price for the county where the unit is located.
- These limits are established by HUD and published on an annual basis.

Compliance Period

- The homeowner rehabilitation HOME funds are secured by a Grant Note and recorded Deed of Trust.
- The Grant Note and Deed of Trust should include the total hard costs (i.e. rehabilitation contract; change order(s).
- The Grant Note and Deed of Trust should not include soft costs (i.e. costs to prepare the work write-up; inspections during the rehabilitation; lead based paint risk assessment and clearance testing; recording fees, etc.)

Compliance Period

- Homeowner Rehabilitation Program
 - Five year compliance period
- Homeowner Rehabilitation Program
 - Fifteen year compliance period