

**ABINGTON-WHITMAN  
HOUSING REHABILITATION PROGRAM GUIDELINES  
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## INTRODUCTION

The Abington-Whitman Housing Rehabilitation Program (the program) provides Deferred Payment Loans (DPLs) for general rehabilitation and grants for lead paint reduction to owners of residential, one- to seven-unit properties in the Towns of Abington and Whitman. The program is funded through a Massachusetts Community Development Block Grant (MCDBG) from the Commonwealth of Massachusetts Department of Housing and Community Development (DHCD). The primary eligibility criteria, which must be met by owners wishing to participate in the program, are:

- **Location:** Generally, eligible properties must be located within the Abington and Whitman Target Areas (see maps in Attachment B). Properties located outside the target areas will be eligible only if owner-occupied and only for emergency repairs (failing heating or septic systems, actively leaking roofs, etc). A maximum of 20% of available funds may be used to serve emergency cases outside the target area.
- **Principal Benefit:** At least 51% of the units in the structure must be occupied by low- or moderate-income households, as defined by HUD (see Attachment A). All single-unit properties must be occupied by a low- or moderate-income household. In a two-unit structure, one or more of the units must be occupied by an income-eligible household. In a three- to seven-unit property, at least 51% of the units must be occupied by low- or moderate-income households:

Total Number of Units in Property	Minimum Number of Units Occupied by Income-Eligible Households for Property to be Eligible
1	1
2	1
3	2
4 or 5	3
6 or 7	4

### A. ELIGIBILITY OF PROPERTY

1. **Eligible Property Types:** Only one- to seven-unit residential properties are eligible for program assistance.
2. **Property Condition:** Properties must be “substandard” as defined by the presence of one or more major code violations to participate in the program.
3. **Taxes and Fees:** Taxes and water and sewer fees for the property must not be delinquent, or the owner must have entered into and be in compliance with a payment agreement with the town tax collector to repay the delinquent balances.
4. **Credit Status:** All mortgages or promissory notes secured by the property must be in good standing. Applicants who are in bankruptcy proceedings must demonstrate that the participating property will not be affected in any way by the bankruptcy. The property must not have state or federal tax liens, and must not be subject to foreclosure proceedings.

5. Flood Insurance: Properties located within the 100-year floodplain must have flood insurance to participate in the program. If this additional coverage must be purchased, the first year's premium may be paid with program funds.

## **B. ELIGIBILITY OF THE APPLICANT**

1. Owner-occupants: Where single-family properties are owner-occupied, the property owner's household income must be at or below the HUD-defined income limits for the Brockton HMFA area – meaning not more than 80% of median income adjusted for household size (See Attachment A). Owner-occupants of multi-family properties may be eligible for program assistance regardless of income, if their tenants are income-eligible. (See section E.4) Income verification, in accordance with MCDBG guidelines, is required. An applicant's household size will be established at the time the application is activated for determination of eligibility. (See section C.3) In the case of jointly owned property, only the incomes of the actual household residents will be considered in determining eligibility.
2. Investor-owners: Rental units may also qualify for assistance through the program if the tenants meet the applicable income guidelines. The income limits for tenants are the same as mentioned above and in Attachment A. The same standards used for owner-occupants will be employed to verify tenant incomes.

## **C. OTHER CONDITIONS OF PARTICIPATION**

1. Frequency of Participation: An owner's participation in the program is limited to one property per program year (fiscal year of grant funding). For purposes of this program, "property" is defined as one or more buildings containing residential units on a single land parcel (as described in the legal description on the deed) and/or single deed. If a "property" has been assisted under the provisions of an "emergency application," it will be eligible for further assistance under the normal waiting list provisions (See section D.)
2. Ownership: For applicants seeking status as owner-occupants, ownership of the property must be in the name(s) of a real, living person(s). The title to the property must clearly establish that the occupants are the owners of the property. Applicants must be able to clearly demonstrate who owns, has or controls the beneficial interest in the property.
3. Household Size: Household size will be determined as of the date of the first request by program staff for income documentation. Should there be a change in household size before income-eligibility has been determined, the program may review the eligibility of the project in light of that change.
4. Prior Work: Owners may not be reimbursed for projects undertaken prior to approval and authorization under the program.
5. City Employees, Officials and Staff: Program staff, and any other municipal employees or officials, who may have authority with respect to the administration of the MCDBG grant, are not eligible to receive program assistance. The program will obtain a determination from Town Counsel concerning conflict of interest for any other municipal employee or elected or appointed official (whether paid or unpaid) or members of their immediate families who request assistance through the program.

6. Rental Agreement: Owners of rental units will be required to execute a “Rental Agreement” that ensures that for a period of fifteen (15) years upon completion of rehabilitation, the housing units will remain affordable and available to low- and moderate-income households. Rents for occupied low- and moderate-income units assisted will be maintained at the base rent for one year from the date of project completion or until the end of an existing lease. The base rent is the actual rent level for the unit at the time the application for housing rehabilitation is activated for processing by the Town. If any utilities are included in the unit’s initial rent, they must also be included in the base rent.

For units vacant at the time of the owner’s application, the base rent must be set at a level that does not exceed the lesser of the “Section 8 Existing Housing Program Fair Market Rent” or the “High HOME Rent,” including adjustments for utility costs.

When units occupied by over-income tenants at the time of rehabilitation become vacant, the rent for the unit will be set at a level that does not exceed the lesser of the “Section 8 Existing Housing Program Fair Market Rent” or the “High HOME Rent,” including adjustments for utility costs.

Rental increases can occur only at the end of an existing lease or annually, on the anniversary of the date of completion of the rehabilitation work. Increases are limited to the HUD Annual Adjustment Factors (AAFs).

7. Affordable Housing Restriction: All investor-owned properties, and owner-occupied properties with 5 or more units, are required to execute an Affordable Housing Restriction (AHR) in order to receive assistance. The AHR includes language restricting rent levels in low- and moderate-income units for a minimum of 15 years and is recorded at the Registry of Deeds. The AHR runs with the land and the terms are transferred to a new property owner should the property be sold or transferred during the term of the AHR.
8. Condominia/Cooperatives: For the purpose of determining eligibility and the level of assistance from the program, condominiums/cooperatives will be qualified on the basis of the tenure and occupancy of the individual unit, with each unit being considered as a single family property. However, for participating units where rehabilitation is required for commonly owned areas, program assistance will be based on the pro rata share of the assisted unit(s). The condominium association/cooperative will be required to fund the cost of the balance not attributable to the unit(s) assisted through the program.

Condominium/cooperative owners must have the approval of their association to perform any exterior or common area work described in the work write-up. If required in the condominium documents of a given development, approval may be necessary for interior rehabilitation as well.

9. Floodplain Requirements: Properties located within the 100-year floodplain must have flood insurance to participate in the program. If this additional coverage must be purchased, the first year's premium is an eligible program expense.

10. Disqualification: If an applicant falsifies information or provides misleading information in an application, the applicant will be permanently disqualified from participating in the program.

#### **D. ASSISTANCE TO EMERGENCY CASES**

Applications for emergency assistance submitted by owner-occupants will be considered. An emergency is defined as a situation that presents an immediate threat to the health and/or safety of the property's occupants as determined by the rehabilitation specialist and confirmed by the program director. This includes emergencies related to lead paint (i.e. where a child has elevated blood lead levels of  $>10 \mu\text{g/dL}$  as verified by a physician), as well as accessibility modifications required to improve the residents' ability to continue to live in the dwelling. Investor-owners are not eligible for emergency assistance. Emergency cases will be handled as follows:

1. The owner will request emergency assistance as part of the application for assistance or, for those already on the waiting list, when an emergency situation occurs.
2. The rehabilitation specialist will inspect any emergency conditions reported and check for any other emergency conditions that might exist in the property.
3. The program director will confirm the existence of any emergency conditions.
4. The rehabilitation specialist may recommend to the program director that the entire rehabilitation project be pursued as an emergency based on the profile of the client, the condition of the property and/or the position of the applicant on the waiting list.
5. If an emergency condition has been determined to exist, the application will receive priority status by being moved to the front of the waiting list. The owner will be notified in writing of the change in case priority.
6. The notice to the property owner will specify the emergency conditions identified. Except as provided in section D.4 above, only the emergency conditions will be repaired on a priority basis. Once the emergency has been resolved, the application will be returned to the waiting list and any non-emergency repairs for which the property may be eligible will be completed when the application comes up in its normal order on the waiting list. The owner is advised that further assistance will be contingent upon the household meeting the income guidelines in effect when the application is considered in its normal order.

#### **E. TYPE OF ASSISTANCE**

Financial assistance for lead testing and lead paint hazard reduction, if required, will be provided as a grant. Financial assistance for general rehabilitation will be available in the form of a Deferred Payment Loan (DPL). All financial assistance payments require total or partial repayment upon sale or transfer of the property if the transaction occurs within 15 years of project completion. Financial assistance is dependent upon the owner's occupancy status and/or income levels as follows:

1. 100% Grant: Grants for the full cost of lead testing and lead paint hazard reduction will be provided for eligible properties. Homes constructed after 1978 do not require testing.

Multi-unit properties with rental units, and homes where children under 6 reside are required to be deleaded under Massachusetts law. The federal lead paint laws are triggered by the amount of federal funds estimated for expenditure due to the rehabilitation of the property, exclusive of lead paint hazard reduction. The rehabilitation specialist is responsible for determining when lead testing is required based on the scope of work to be accomplished

2. 100% Deferred Payment Loans: Low-income owner-occupants of eligible properties may receive a DPL to cover 100% of the project costs, up to the per-unit cap. The lien will be in effect for 15 years from the date of project completion. The loan will be forgiven on the fifteenth anniversary of the project completion date.
3. 75% Deferred Payment Loans: Moderate-income owner-occupants of eligible properties may receive a DPL equal to 75% of the project costs, up to the per unit cap. The lien will be in effect for 15 years from the date of project completion. The loan will be forgiven on the fifteenth anniversary of the project completion date.
4. 50% Deferred Payment Loans: Over-income owner-occupants and non-occupant investor-owners of eligible properties may receive a DPL equal to 50% of the project costs, up to the per unit cap. The lien will be in effect for 15 years from project completion. The loan will be forgiven on the fifteenth anniversary of the project completion date.

#### Owner's share of project costs:

When the program provides less than 100% of the project costs, the property owner must fund the balance through private resources (i.e. bank loan, savings, etc.).

A property owner who is unable to secure the necessary private funds, may (with appropriate documentation) request a waiver from the Community Advisory Committee (CAC) for the owner's share of project costs. The CAC may approve the provision of 100% of the project costs in such cases, up to the project cap.

#### Documentation required to request a waiver:

- a. The property owner must complete a supplemental form that lists asset information in order to show that insufficient assets are available to cover the owner's share of costs along with an authorization allowing AWHRP program staff to verify the information submitted with the banks or other financial institutions at which the accounts are held..

Owner's Reserves: Owners may reserve assets equal to the total of four months of the applicant's mortgage principal, interest, taxes and insurance (PITI) for the subject property and not use these resources toward their program contribution. If it is determined that the owner's total liquid assets in excess of the allowed reserve are less than the required matching funds, the property owner could request a waiver for that portion of the contribution not covered by personal assets.

Where the property owner's household income is derived largely from fixed income (e.g. social security), the owner will also be permitted to have the following additional

liquid assets in reserve before contributing to project costs: \$10,000 for the first household member and \$2,500 for each additional member

- b. Inability to obtain a bank loan to cover the owner's share of project costs may be documented either by:
  - 1). Proving that the owner's current FICO score is less than the minimum credit score required under then-current MassHousing underwriting criteria for its mortgage products. A copy of the owner's current FICO score can be provided as evidence that this is true.
  - 2). Property owners who have FICO scores at or above the then current MassHousing underwriting criteria must apply for and be denied a bank loan to cover their share of project costs. A copy of the bank denial letter must be submitted with the request for a waiver of the owner's share of costs.

Owner contributions to project costs which are waived by the Community Advisory Committee will be paid by the Program, and will be added to the DPL and to the lien on the property.

#### **F. REPAYMENT OF DEFERRED PAYMENT LOANS**

All financial assistance provided through the program is secured by a 15-year lien filed with the Registry of Deeds. This prevents speculation and allows owners to remain in their homes after rehabilitation without additional monthly debt. No interest is accrued on the loan, which will remain in effect for 15 years, from the date of project completion, after which time it will be forgiven. If the property is sold, transferred, or re-mortgaged in a manner that conflicts with the program requirements during the term of the lien, the DPL becomes due and repayment is required at the time of the transaction.

On a case-by-case basis, if extreme hardship can be demonstrated, a homeowner may apply for a waiver of a portion of the loan repayment or total forgiveness of the loan through the Community Development Office. Program staff will submit this request to the Board of Selectmen who may waive repayment of all or a portion of the amount due.

#### **G. MAXIMUM PROJECT COSTS**

The AWHRP has established a per-unit maximum (project cap) of \$35,000 for CDBG contributions. Single case waivers of the per-unit cap may be granted in special cases if the scope of the work cannot be reduced due to health and safety requirements and the owner cannot contribute funds for the amount exceeding the allowable maximum cost. Waivers must be approved by the CAC.

In cases where the housing rehabilitation specialist's estimate is significantly higher than the project cap for a rehabilitation case, the rehabilitation specialist will review the scope of work to be performed and reduce it where possible. The homeowner and the rehabilitation specialist may agree to list alternates to the bid specifications in an effort to keep the project within the cap allowed. If the low bid exceeds the project cap, the program will ask the property owner to finance the difference. If the owner can demonstrate an inability to provide the gap financing, a waiver of the project cap will be sought.

If the assistance required exceeds \$35,000, the waiver request will first be presented to the CAC. The CAC will review the waiver request and make a recommendation to the Board of Selectmen. If the Board of Selectmen approves the waiver request, it will be forwarded to DHCD's Community Development Block Grant Program office for approval. If approved by DHCD, the project will then go forward.

If either the Board of Selectmen or DHCD denies the waiver, the project will be terminated.

## **H. SCOPE OF WORK**

1. The primary purpose of the program is to correct code violations and substandard living conditions, including the removal of the health hazards associated with lead paint and asbestos. The program will address serious code violations and incipient code violations. Priority projects are:
  - a) Code violations of the Massachusetts sanitary, building, electrical and plumbing codes, including the removal of hazardous materials (See section I);
  - b) Lead based paint hazard reduction and de-leading in compliance with state and federal regulations;
  - c) Serious building maintenance deficiencies such as deteriorated roofs and structural deficiencies;
  - d) Replacement of obsolete or inefficient heating systems;
  - e) Building weatherization and energy efficiency improvements, such as window/door replacements, insulation, storm windows;
  - f) Sewer hook-ups in areas where property owners have access to, but have not been able to take advantage of municipal sewers, or replacement of failing septic systems;
  - g) Incipient conditions, which if not addressed would qualify for the above priorities; and
  - h) Exterior repairs/improvements that will contribute to the improvement of the property and neighborhood.
2. All improvements must be attached to the property and must be permanent in nature.
3. Ineligible items include obvious luxury construction (pools), non-residential structures, etc.
4. Any questionable items considered for rehabilitation assistance shall be reviewed by the Program Director, and/or the Program's MCDBG representative prior to final approval.
5. Correction of code requirements determined necessary by the rehabilitation specialist and building inspector will be considered non-negotiable items that are to be corrected.

6. Properties that have been determined to be or are potentially historically and/or architecturally significant shall be reviewed with the state historic preservation officer (SHPO) to avoid any adverse effects on properties of this nature. The U.S. Department of the Interior's "Standards for Rehabilitation" shall be used as program guidelines for such structures that are greater than fifty (50) years of age.

## **I. PROCEDURES FOR REMOVING LEAD PAINT AND ASBESTOS**

Persons temporarily displaced as a result of the removal of lead paint or the abatement of asbestos who are eligible to receive temporary displacement benefits will be notified of their eligibility at least thirty (30) days prior to the estimated relocation date.

1. Lead Paint Removal: A lead paint inspection and risk assessment will be conducted by a qualified and insured inspector. Specifications will be developed based on the applicable state and/or federal laws. For projects receiving more than \$5,000 and less than \$25,000 of housing rehabilitation assistance, under the effective revised lead paint regulations, a risk assessment will identify those lead paint hazards requiring interim control measures. Projects receiving \$25,000 or more of housing rehabilitation assistance and found to have lead paint will be fully abated. The inspection report will identify levels of hazard, prioritize the risk, and recommend interim measures of abatement or full abatement depending on the amount of housing rehabilitation assistance which the property is estimated to receive. All dwellings where children under the age of 6 reside will receive abatement regardless of the cost of the project. All occupants will be relocated during the de-leading process. All de-leading projects will be performed by qualified, certified, and insured de-leading contractors.
2. Asbestos Abatement: An inspection of the affected property will be made by a qualified industrial hygienist certified in asbestos inspection and abatement. The inspection report will determine all areas of asbestos removal or encapsulation. Contractors selected to perform the abatement work must be qualified, certified and insured to perform such work. A qualified and certified industrial hygienist hired independently by the rehabilitation program will monitor the project and conduct all required air sampling tests. If relocation is necessary as a result of asbestos abatement, it will be provided as described in section R.

## **J. APPLICATION PROCESS**

1. The AWHRP will schedule a lottery and advertise the availability of applications and the deadline by which applications must be received to be included in the lottery. Owners of one- to seven-unit residential properties within the target areas will be mailed an application. General outreach will also include advertisements in the local newspaper, postings on the municipal websites and in municipal buildings, etc. Applications will be available at the Community Development Office and will be mailed to property owners who request them by calling the program staff. All advertisements and outreach will include the application deadline to be included in the lottery, as well as the date, time and place where the lottery will be held.
2. Applications from interested property owners will be accepted by mail or in person at the Abington Community Development Office, 441 Summer Street, Abington, MA 02351.

3. All applications received by the advertised deadline will be given a lottery number and placed in the lottery pool.
4. Applications will continue to be accepted after the lottery deadline and will be date and time stamped as they are received.

#### **K. SELECTION PROCESS**

1. At the designated time and place, the Lottery will be conducted and will be open to applicants and members of the public who wish to attend. Lottery numbers assigned to applications received by the deadline will be drawn randomly and added to the waiting list in the order in which they are drawn until all lottery numbers have been drawn and added to the waiting list.
2. Applications received after the lottery deadline will then be added to the bottom of the appropriate waiting list in the order in which they were received.
3. Applications will be assigned a case number as they are added to the waiting list. Case numbers will also include a letter "A" or "W" to indicate the town in which the property is located (e.g., Case # A-12 or Case # W-32).
4. Applications will be processed in the order in which they appear on the waiting list, alternating between Abington and Whitman cases except that program staff reserve the right to process those applications that are assigned emergency case status out of order as outlined in Section D of these Program Guidelines.
5. Owners who have applied and been found to be ineligible may reapply. The new application will be placed at the bottom of the waiting list and assigned the next available case number.
6. Applicants who do not submit requested information in a timely fashion will receive a written warning that if the information is not supplied within a specific time, their applications will be closed. These applications will not be placed back on the waiting list. The applicant may re-apply at any time. The new application will be assigned the next number on the waiting list.
7. Applications not processed by the current program will be kept on a waiting list for any future programs. They will be processed in the established order if and when funds are available.

#### **L. INCOME VERIFICATION PROCESS**

1. Owners appearing to meet eligibility criteria based upon preliminary review of their application will be required to submit:
  - a) the most recent federal income tax return(s) (if filed) and income documentation materials that meet MCDBG requirements for all occupants of the unit(s); and
  - b) a copy of the deed to the property.

2. Program staff will determine the eligibility of the applicant and property. Applicants will be notified in writing of the decision.
3. Applicants denied participation in the program can appeal the decision according to the established grievance procedures described in Attachment C.
4. The applicant will be provided with information regarding the requirements and procedures for receiving program assistance.

#### **M. REHABILITATION PROCESS**

1. After the property owner is deemed eligible for program assistance, the rehabilitation specialist will schedule a meeting to conduct a preliminary inspection and discuss work items the owner may want to include in the project. Depending on the age and nature of the building, the age of the property's occupants and/or the scope of the project, an inspection by a certified lead inspector may be required.
2. The rehabilitation specialist will prepare work specifications and a cost estimate of eligible rehabilitation items for the owner's review.
3. The property owner will review and approve the work specifications, discussing any desired changes with the rehabilitation specialist.
4. Once work specifications are finalized and approved, bids will be obtained from contractors through the process described in section O below.
5. Bids received will be reviewed with property owners. The Town will base its funding on the low bid amount, provided that it is a responsible bid. Owners may select any bidder provided that they pay the difference between the low bid and the selected bid.
6. The property owner must select a contractor within 7 days of the bid opening.
7. Program staff will prepare project documents, including an "Assistance Agreement" between the owner and the Town, as well as a contract between the owner and the selected contractor. If an owner contribution is required, the owner must provide a certified bank check made payable to the contractor for the total amount of the owner's contribution at the time contracts are signed and before a "Notice to Proceed" is issued to the contractor. The owner's contribution will be held by the AWHRP until sufficient work has been completed, invoiced, inspected and approved as outlined in this section.
8. Periodic inspections will be conducted by the rehabilitation specialist during construction. As part of the above process, all contractors' invoices will be checked against the actual work done before any payments are made. The rehabilitation specialist will sign a form approving payment to the contractor prior to the payment being processed. Ten percent (10%) of *all* progress payments will be withheld as retainage until the satisfactory completion of the project. Program funds are disbursed only after all private funds are released for payment to contractors. Private funds are released using the same procedure outlined in this paragraph.
9. At the completion of work related to lead removal, a certified lead inspector will inspect the property again.

10. At the completion of the job, a final inspection will be performed by the rehabilitation specialist and property owner. If there are no deficiencies in the work and all Town-required permits have been signed by the appropriate Town inspector, a "Certificate of Final Completion" will be signed by the rehabilitation specialist and the property owner.
11. If any deficiencies are found during the final inspection, they will be communicated to the contractor through a punch list signed by the owner. The punch list will be prepared by the rehabilitation specialist. Once all punch list items are satisfactorily completed, the rehabilitation specialist and the property owner will sign the "Certification of Final Completion."
12. A 10% retainage will be held by the program until all work has been completed. After all of the above has been completed, the contractor will be issued a check for the retainage as the final payment on the job. The retainage will be released no later than one month after all contract obligations are fulfilled.

#### **N. CONTRACTOR PARTICIPATION**

1. The program will solicit participation by as many local building contractors and subcontractors as possible. Contractors will be notified of the opportunity to participate in the program through direct mailings, advertisements in local papers, and announcements posted in key locations, including the municipal building departments. The program will also solicit contractor recommendations from homeowners and Town officials.
2. Minimum requirements for contractors include:
  - a) A "Massachusetts Construction Supervisors License" or trade license;
  - b) Registration as a "Massachusetts Home Improvement Contractor;"
  - c) Workmen's compensation insurance at statutorily required limits;
  - d) Property and liability insurance. Contractors shall furnish the Town of Abington, as the lead agency for the program, with a Certificate of Insurance including "Public Liability and Property Damage Insurance" in an amount not less than \$500,000 for injuries, including accidental death to each person, and subject to the same limit for each person in an amount not less than \$1,000,000 on account of each accident and "Property Damage Insurance" in an amount not less than \$250,000 per accident and \$500,000 aggregate, to protect the Town, property owner, and any sub-contractor against claims for injury and damage which may occur or result from work performed pursuant to this Agreement. The Contractor's Certificate of Insurance shall list the Town of Abington as an additional loss payee;
  - e) Certificate of completed training in "Lead Safe Work Practices" for the leader of the crew or all persons working on the project, if unsupervised and EPA Work Practice Standards Certification required per rule 40 CFR 745;
  - f) Demonstrated experience in the appropriate trade(s);

- g) References from prior clients;
  - h) A good business credit history including business credit references;
3. Each contractor must fill out a registration form listing references and licenses and submit a certificate of insurance prior to receiving a contract award. References will be checked by program staff administering the housing rehabilitation program.
  4. Once registered with the program, contractors will receive notice of projects when they go out to bid. Homeowners wishing to use contractors not included on the list of registered contractors may do so, provided the contractor registers with the program and submits the proper insurance certificates and references.
  5. Contractors must take out all required permits prior to initiation of construction. The cost of the permits is to be included in the bid price.
  6. If a participating contractor's performance or quality of work is unsatisfactory in the opinion of the rehabilitation specialist, the contractor shall be issued a written notice describing specific problems with the contractor's work. This notice shall serve as a warning. If the problems, as outlined in this notice, are not addressed, then, based upon the opinions of the rehabilitation specialist and the Program Director, the contractor may be barred from working in the program.

#### **O. CONTRACTOR BIDDING PROCESS**

1. The work write-up and specifications must be approved by the property owner prior to initiating the bidding process.
2. Once the work specifications are approved, an "Invitation to Bid" will be sent to contractors who have registered with the program and are appropriate for the job. The "Invitation to Bid" will identify the type of work to be completed and the date, time and location where bids will be due. All bids will be due at a prescribed time and place.
3. The rehabilitation specialist will conduct a pre-bid meeting at the project site for prospective bidders. Bids will not be accepted from contractors who did not attend the pre-bid meeting.
4. Bids received after the designated time will not be accepted under any circumstance.
5. Two or three bids, preferably three, will be obtained for each project. Should less than two bids be received, and the effort to secure more than one bid is documented, the bid can be accepted if it is within 10% of the rehabilitation specialist's cost estimate.
6. The bids will be evaluated by the rehabilitation specialist and the property owner. The program will base its funding on the lowest responsible bid from a qualified contractor. The owner may select any bidder provided that the owner pays the price differential between the low bid price and the selected bid price, if applicable.
7. The Town reserves the right to reject any and all bids or estimates of contractors and to waive any irregularities or items if it is in its best interest to do so.

## **P. SWEAT EQUITY**

1. Through sweat equity, a property owner can contribute his/her labor to undertake the rehabilitation. Financial assistance is provided for contracted trade specialists and for 100% of the cost of materials. Owners are not compensated for their labor. The financial assistance will be provided in the form of a Deferred Payment Loan (DPL), as described earlier.
2. Requests to undertake a sweat equity project will be reviewed by the program director and rehabilitation specialist on a case by case basis. The program will allow sweat equity in a very limited number of situations. Due to the added complexity of utilizing sweat equity, this approach will be allowed when the following conditions are met:
  - a) The property owner possesses the necessary qualifications to undertake this work as documented through examples of completed construction/rehabilitation work.
  - b) The property owner has the time to complete the work within a reasonable time.
  - c) The nature of the project is such that the owner can perform his/her work without interfering with any other contractors who may be involved.
3. A contractual agreement will be executed between the owner and the Town which addresses performance, compliance, documentation of expenditures, the work write-up and materials cost estimate.
4. The program will only pay for the cost of the materials upon inspection that they have been properly installed.
5. Sweat equity can be used towards the matching funds required for moderate-income and investor-owners. The value of the sweat equity shall be calculated as the rehabilitation specialist's cost estimate for the work, minus the actual cost of materials.
6. To ensure timely completion, payment from program funds will be made only upon completion of work. The exception to this will be that a single progress payment will be made to a contracted sub-trade, once that work has reached at least 50% completion. Owner funds will be disbursed first for any progress payments.

## **Q. TENANT ELIGIBILITY**

Tenants, themselves, are not eligible to participate in the program. Owners may qualify, however, based upon income-eligible tenants. To provide a reasonable degree of protection to tenants, no owner participating in the program may receive benefits unless the owner agrees to rent the rehabilitated unit as follows:

1. Occupied units that are assisted will have rent levels maintained at the base rent (the actual rent level of the unit at the time of application for housing rehabilitation assistance, including those utilities identified as included).

2. Increases in rent can occur only at the end of an existing lease or annually from the date of completion of rehabilitation work. Rental increases shall be limited to the “Section 8 Annual Adjustment Factor (AAF)”. However, if the current rent level exceeds the lesser of the “Section 8 Existing Housing Program Fair Market Rent” established for the Brockton HMFA area or the “High HOME Rent” established for the Brockton HMFA area, rents may not be increased.
3. Rent for vacant units cannot exceed the lesser of “Section 8 Existing Housing Program Fair Market Rent” or the “High HOME Rent” for a unit with the same number of bedrooms as the subject unit.
4. When a unit occupied by over-income tenants at the time of rehabilitation becomes vacant, the newly vacant unit must be rented as established in Q3 above.
5. For a minimum of fifteen (15) years after rehabilitation the owner must rent units, as specified in the “Rental Agreement,” to low- and moderate-income households as defined by the HUD income limits for the Boston metropolitan area.

## **R. RELOCATION**

Permanent, non-voluntary displacement of households benefiting from the program will not occur under any circumstances. The Town of Abington’s “Residential Anti-Displacement and Relocation Assistance Plan” is on file in the Community Development office, and is available to the public for review. The plan describes the procedures to be followed to assist participants who may be temporarily relocated on a short-term basis due to the rehabilitation of their unit. Every effort will be made to minimize the need for relocation in carrying out the rehabilitation project. However, it is often necessary to temporarily relocate residents when completing lead paint and asbestos removal. It is the Town’s policy to provide relocation benefits to tenants, who may need temporary relocation. The Town will provide low- and moderate-income homeowners who are not URA-protected the same levels and types of temporary relocation assistance made available to tenants *when these owners cannot make other arrangements on their own*. Tenants and owners will receive reasonable, advance, written notification whether or not temporary relocation will be necessary and, if so, the kinds of assistance available.

## **S. MASSACHUSETTS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM REGULATIONS**

The program will comply with all regulations set forth by the MCDBG Program. This includes, but is not limited to, the following regulations: environmental protection; historic preservation; lead paint; asbestos; displacement and relocation; financial compliance matters; civil rights and equal opportunity; Section 3; procurement; and labor and safety laws and regulations.

## **T. ADMINISTRATION**

The program will be administered through the Abington Community Development Office under the direction of the Abington Town Manager. Program staff will be responsible for the operation of the program on a day-to-day basis under the supervision of the Town Manager.

## **U. COMMUNITY ADVISORY COMMITTEE (CAC)**

The Abington Board of Selectmen will appoint a five-member Citizen's Advisory Committee (CAC), comprised of three members from Abington and two members from Whitman. The CAC will serve in an advisory capacity to the Board in regard to individual MCDBG programs. The Town will make every effort to include the following: a local low or moderate income home owner; a local low or moderate income renter; a representative from a local social service provider; a disabled local resident or a representative of a local or regional agency serving persons with disabilities; and a local banking or real estate representative.

The CAC will serve the town during the implementation of the grant. The CAC will meet at least quarterly, or more often as required. The committee's primary functions during implementation will be:

1. To hear, and seek to resolve, any grievances that cannot be resolved by the Community Development staff;
2. To review and decide on grant policies that may need to be enacted or modified to improve the quality of the MCDBG-funded programs and projects;
3. To evaluate the grant program and provide feedback to the Board of Selectmen;
4. To review requests for waivers of housing rehabilitation assistance exceeding the per unit limits and make a recommendation prior to submittal of the waiver request to the Board of Selectmen and DHCD; and
5. To review and make recommendations to the Board of Selectmen regarding requests for subordination of the town's lien on completed projects.

## **V. AMENDMENTS AND REVISIONS**

Program guidelines and forms may be revised from time to time as deemed necessary.

## **W. GRIEVANCE RESOLUTION**

The "Abington-Whitman Housing Rehabilitation Program Grievance Procedures" (located in Attachment C) is on file in the Abington Community Development Office and is available for public review. They describe the procedures in place for settling any misunderstandings or disputes that may arise during any aspect of the administration of the program. They detail a two-tiered grievance process of mediation as well as steps to be followed if cases are appealed. Grievance procedures regarding relocation benefits are outlined in the *Procedures* as well.

## **X. LIEN SUBORDINATION, REFINANCING OR LOAN FORGIVENESS:**

The AWRHRP will routinely subordinate its lien when property owners wish to refinance in order to lower the monthly mortgage payment by obtaining a lower interest rate or extending the term of the first mortgage wherever the total debt on the property (including the Town's lien) does not exceed 80% of the property value. Exceptions to this policy can be requested on a case-by-case basis and will be reviewed by the CAC who will make a recommendation to the Board of Selectmen. The decision of the Board of Selectmen will be final.

Repayment of the DPL is required when the property is sold prior to the end of the 15 year affordability period. In cases of extreme hardship, all or a portion of the loan can be forgiven by the Board of Selectmen based upon a recommendation of the CAC.

Requests for Subordination should be submitted to the Community Development Office.

## ATTACHMENT A

### Abington-Whitman Housing Rehabilitation Program Income Limits

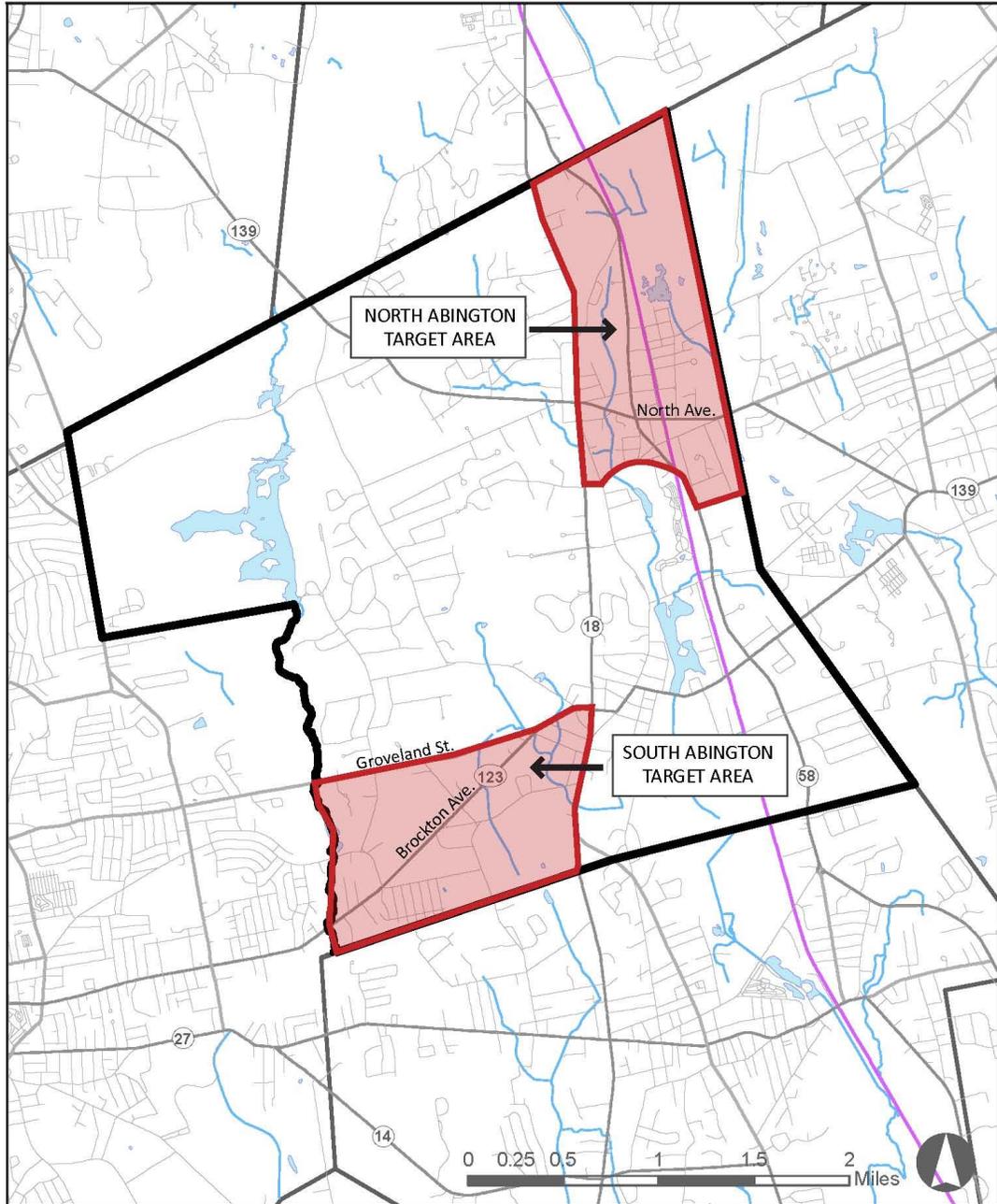
#### Income Limits \*

<b>Household size</b>	<b>Low-Income</b>	<b>Moderate-Income</b>
1 person	\$30,500	\$46,000
2 person	\$34,850	\$52,600
3 person	\$39,200	\$59,150
4 person	\$43,550	\$65,700
5 person	\$47,050	\$71,000
6 person	\$50,550	\$76,250
7 person	\$54,050	\$81,500
8 person	\$57,500	\$86,750

\* Effective April 26, 2016. These income limits are revised periodically. The program will use the most current income limits in effect at the time that an application is processed for an eligibility determination.

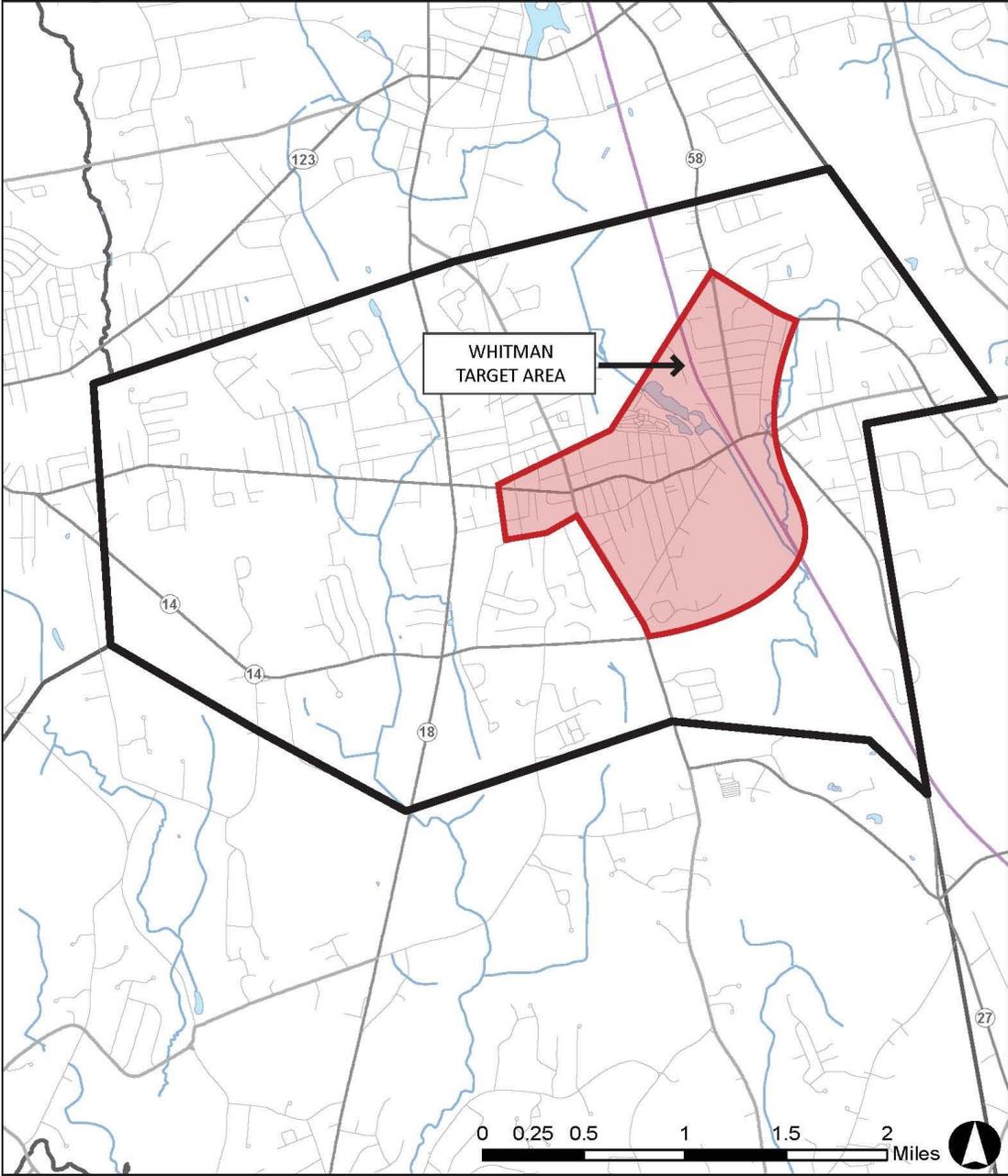
**ATTACHMENT B**

**Abington Target Areas Map**



Source: MassGIS, Community Opportunities Group, Inc.

# Whitman Target Area Map



Source: MassGIS, Community Opportunities Group, Inc.

## ATTACHMENT C

### Abington-Whitman Housing Rehabilitation Program Grievance Procedures

Persons aggrieved by administrative or program-operating decisions made during the grant cycle will have access to the following complaint resolution hierarchy:

1. Individuals should write the program, stating the nature of the complaint and requesting a specific remedy. If the complaint involves a decision to deny, modify, or set conditions on assistance or benefits from grant programs, the individual making the complaint will establish his or her standing to appeal the decision. "Standing" is limited to an individual who applied for and was denied assistance or was otherwise required to meet certain requirements that had the effect of denying assistance.
  - The AWHRP Program Director will respond to all written complaints within 15 days of receiving them. At the director's discretion, the complaint will be resolved by any of the following means: a meeting with the individual who filed the complaint and his/her advocate and/or assembling other information needed to consider and act on the complaint.
2. If the complainant is not satisfied with the Program Director's decision, he/she may submit a written appeal to the CAC. The CAC may meet with the complainant and Program Director or other program staff separately, or together, depending on the nature of the grievance and its potential for being resolved by mediation.
  - Preference will be given to mediation wherever possible and appropriate.
  - A dispute that cannot be mediated will be handled by an administrative determination, and the CAC will answer the complaint in writing within 30 days.
3. The final level of appeal shall be to the Abington Board of Selectmen. Depending on the nature of the complaint, available evidence and whether irreparable damage may occur from further resolution delays, the Selectmen may overturn or modify a previous decision, hold a hearing with the parties, or remand the matter to the Program Director with instructions.
  - The decision of the Board of Selectmen is final, and will be issued within 30 days of receiving the appeal.
4. Administrative actions that are not eligible for appeal include a denial of assistance based on an applicant's household income exceeding the permissible limits, fraudulent or misleading income representations, and requests for types of assistance not funded by the grant.

*Accommodations for person with disabilities and non-English speaking residents.*

In accordance with Title II of the "Americans with Disabilities Act of 1990" and Section 504 of the "Rehabilitation Act of 1974," the City will reasonably accommodate qualified persons with disabilities in all programs and services funded by the MCDBG Grant. All programs will be offered in accessible locations (e.g., those meeting the requirements of the "Americans

with Disabilities Act Accessibility Guidelines”), or redesigned and modified to be accessible when barrier-free facilities are unavailable for program delivery. Reasonable accommodation for other types of disabilities will be made at the request of the affected person.

If the Program needs to accommodate non-English speaking persons, it will take all administratively feasible steps to provide translation assistance upon request. For example, local authorities would seek qualified translators (e.g., faculty, graduate and ESL students) from the foreign language departments of nearby colleges and universities.