

CITY OF HARLINGEN
REHABILITATION & RECONSTRUCTION
HOUSING PROGRAM
GUIDELINES



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Section 1 - GENERAL AUTHORITY AND DEFINITIONS

1. **LEGAL AUTHORITY FOR REHABILITATION/RECONSTRUCTION DEFERRED LOANS:** Housing Rehabilitation/Reconstruction loans are authorized under the U.S. Department of Housing and Urban Development Regulations.
2. **DEFINITIONS:** Following are definitions of various terms as used with respect to housing rehabilitation/reconstruction deferred loans:
 - a. **APPEALS:** Community Development Advisory Board Members will serve to consider written request for reconsideration to staff's determinations on program guidelines and eligibility.
 - b. **COMMUNITY DEVELOPMENT:** A department of the City of Harlingen responsible for the general operation of the program, which includes but is not limited to the initial contact with property owners, preparation of plans and specifications, processing of all loan documents, securing contractors for the owners, inspecting the work, and counseling with loan recipients as needed, providing direction and instructions to contractors, processing payments and maintaining all program files..
 - c. **COMMUNITY DEVELOPMENT ADVISORY BOARD:** A Board (CDAB) appointed by the City Commission to oversee the program undertaken through the Community Development Block Grant Program.
 - d. **HUD:** The United States Department of Housing & Urban Development.
 - e. **OWNER-OCCUPIED PROPERTY:** A property that is owned and occupied by the applicant and is used entirely for residential purposes and contains only one dwelling unit per lot.
 - f. **PRIORITY NEED:** From the first come first serve list. In the event the home is damaged and habitation is no longer safe, priority will be given for loss due to natural disasters such as hurricane, fire, flood, etc. upon approval of the Community Development Director. A separate first come first serve waiting list is established for catastrophic loss.
 - g. **REHABILITATION:** term may be used interchangeably to refer to Rehabilitation, Demolition and or Reconstruction projects throughout this handbook.
 - h. **REHABILITATION/RECONSTRUCTION COST:** The total cost of repairs and improvements and other associated costs with the rehabilitation/reconstruction project.
 - i. **VARIANCES:** CDAB will serve to consider written variances for exceptions to program guidelines.
 - j. **VOLUNTARY WITHDRAWAL:** Applicants who choose to withdraw from the waiting list will be withdrawn immediately from the waiting list. Applicants who reapply for assistance will be considered new applicants.

Section 2 - PROGRAM PURPOSE

The purpose of the City of Harlingen's Community Development Housing Rehabilitation & Reconstruction Program is to provide rehabilitation and reconstruction assistance to eligible low and moderate income Homeowners residing in the corporate city limits of Harlingen. The Program's Objective is to implement a program to arrest the deterioration of substandard single family homes by rehabilitating or through reconstruction to conform to the International Property Maintenance Code and its amendments, City of Harlingen's Housing Rehabilitation Performance Manual and other applicable State Laws, City Codes and Ordinances.

The goal of this program is to work in partnership with qualified Homeowners to maintain the existing housing stock in decent, safe, sanitary and affordable conditions.

Assistance through any of the programs herein shall be voluntary and relocation assistance shall not be provided.

Assistance is limited to single family residential structures within the city limits of Harlingen.

Section 3 - PUBLIC AWARENESS

The Community Development Department may advertise that it is accepting applications for program assistance through local newspapers or the broadcast media.

Inquiries may be received through a variety of methods, including telephone inquiries, walk-ins and letters. Staff will respond to these inquiries by providing a verbal or written description of program requirements including brochures and other documentation available to the public.

Staff encourages interested and potentially eligible homeowners to schedule a personal interview with a staff member.

Complaints regarding lack of understanding of the program, the level of service provided, the public awareness process, or other matters shall be promptly addressed, if possible by a staff person. If a complaint cannot be resolved at that level, the complaint will be forwarded to the Community Development Director for resolution and documentation. If no resolution can be found, the matter will be forwarded to the Assistant City Manager, and/or forwarded to the Community Development Advisory Board Rehabilitation Grievance Committee.

Section 4 - QUALIFICATIONS

1. Assistance is limited to single family residential structures.
2. Those previously assisted through Harlingen Community Development Corporation or the City of Harlingen are not eligible for additional assistance.
3. Properties previously assisted through Harlingen Community Development Corporation or the City of Harlingen are not eligible for additional assistance.
4. An applicant must be a resident of the City of Harlingen, and live in the home to be assisted a minimum of 5 years before applying for assistance.
5. Applicants must also have a warranty deed in their name (or other legal document as stated elsewhere within these guidelines).
6. An applicant/household will not be eligible for assistance if:
 - a. **Non-elderly Head of Household** has resources (other than home to be rehabilitated), or cash assets in excess of \$10,000.00.
 - b. **Elderly Head of Household** (62 years of age or older), has resources (other than home to be rehabilitated), or cash assets over \$20,000.00.
 - c. **Disabled Head of Household** has resources (other than home to be rehabilitated), or cash assets over \$20,000.00.
 - d. Resources include but are not limited to the following: real property, vehicles and bank accounts.
 - e. Exempt resources include:
 - i. home to be assisted and surrounding property
 - ii. first family vehicle, vehicles necessary for employment or training related purposes, and vehicles used to transport a physically handicapped person.
 - f. There has been a transfer of resources within two years of date of application by household members for the purpose of qualifying for the program.
 - g. An applicant who has *more than one* dwelling structure on the property to be rehabilitated or reconstructed unless the applicant removes the excess structure.
 - h. An applicant/household who is operating a business out of said home.
 - i. An applicant/household who has failed to meet their bankruptcy obligations.
 - j. A bankruptcy discharge must be:
 - i. At least 5 years prior to the date of application for Chapter 7.
 - ii. At least 3 years prior to the date of application for Chapter 13.
 - k. An applicant/household who has outstanding judgments.
 - l. An applicant/household is presently delinquent on any Federal debt or has a lien placed against his/her property for a debt owed to the United States Government.
7. An applicant/household who is accepted for assistance shall first remove all abandoned appliances, junked vehicles, trash, rubbish, etc. from the property before assistance is rendered.
8. Second Lien Position: The City will take a second lien position if the first lien balance is not more than 50% of the appraised value of the property, based on latest tax rolls.
9. An applicant/household must meet the low to moderate income criteria as set forth by the Department of Housing and Urban Development's Part V (Section 8) requirements as they are now or may be adopted by HUD on a yearly basis.
10. Total household income is determined by computing the income as required in 24 CFR Part 5. Income of all the persons residing in the household at the time of the application will be included in the calculation.

Section 5 - ELIGIBILITY INCOME GUIDELINES

Eligibility for CDBG housing program support is determined in accordance with income limits established by the Department of Housing and Urban Development. These figures are revised annually by the Department of Housing and Urban Development. The most recent income limits are found in Attachment #1.

Section 6 - PROGRAM LIMITATIONS

1. Any applicant, whose property is located within a 100-year flood plain according to current FEMA Flood Insurance Rate Maps, shall not be eligible for assistance for on-site housing rehabilitation assistance programs.
2. In the case where the Housing Rehabilitation Specialist has determined that the costs for rehabilitation exceed program guidelines (\$25,000.00), or more than 50% of the appraised after rehabilitation value, the applicant will be considered for reconstruction assistance or referred to other affordable housing providers for possible assistance through their housing programs.

Section 7 - LOAN PROGRAM REQUIREMENTS

All loan programs will require, at a minimum, the following:

1. Title search on property.
2. Credit analysis on adult household members.
3. Proof of Paid City, School and County Taxes.
4. Verification of income and financial analysis.
5. Property to be located inside the Harlingen City Limits.

Section 8 - INFORMATION REQUIRED FROM ALL APPLICANTS

The following information is needed from all adult household members. An application will not be considered complete and processed until all information is received by the CD Staff.

1. Proof of ownership - Warranty Deed or other document as stated herein.
2. Utility receipts with applicant's name
3. Copies of the following for all household members over the age of 18:
 - a. W-2's and 1040's (if employed)
 - b. Income Tax Returns for the past 2 years
 - c. Social security cards, current driver's license or Texas ID
4. Authorization to obtain the following for all household members:
 - a. Verification of other income, or assets
 - b. Verification of Employment
 - c. Verification of Unemployment check

- d. Verification of Social Security, SSI, etc., checks
 - e. Verification of Bank deposits
5. Receipts of paid City, School and County Taxes

Section 9 - TEMPORARY RELOCATION

Applicants agree that participation in the program is voluntary and to voluntarily relocate during Lead Based Paint activities and general construction.

Voluntary homeowner rehabilitation does not trigger relocation requirements as per the Uniform Relocation Act for the homeowner.

Section 10 - PROGRAMS AVAILABLE

ZERO, ONE, OR TWO % INTEREST LOANS

The Community Development Department provides zero, one or two % interest loans to qualified homeowners for the rehabilitation or reconstruction of their single family substandard homes. The interest amount on the loan is based on the homeowners annual income adjusted to family size. Below 30% of the Median Income, 0% interest, between 31% and 50% of the Median Income, 1% interest, and between 51% and 80% of the Median Income, 2% interest.

1. Loan applications are accepted at the Community Development Department, Lon C. Hill Building, 502 E. Tyler, Harlingen, Texas. Loans will be serviced through the department.
2. Applicants must meet the following requirements:
 - a. Income: Applicant's total income may not exceed 80% of the median income for the area, adjusted to family size.
 - b. Ownership: Applicant/Homeowner(s) must live in said home and have clear title to property, (although City is willing to take a second lien position if possible, on rehab loans only).
 - c. Applicant must have an ownership interest in any one of the following types of ownership in the property to be improved:
 - a) Individual fee ownership with recorded deed (no corporate, trust, legal partnerships, etc.); or
 - b) Individual fee ownership subject to a mortgage or other lien securing debt; or
 - c) An ownership interest in a properly recorded land contract; or
 - d) A life estate interest provided the following are met:
 1. The life estate person occupying the dwelling to receive assistance must be income eligible.
 2. The life estate agreement terms must be written, signed, and recorded in the public records of Cameron County, Texas.
 3. The holders of the remainder interest in the dwelling must agree, in writing, to repay the loan when the dwelling ceases to be the principal place of residence of the current life estate person(s).

4. Both the owner of the life estate and the holder(s) of the remainder interest must sign program documents.
5. The holder(s) of the remainder interest must sign the "Life estate Responsibility" form.
- d. Credit: Applicant's and adult household members credit history will be verified with a credit reporting agency.
- e. Taxes: City, School, and County Taxes must be paid and up to date at the time application is submitted.
- f. Income to Debt Ratio: Applicant's total monthly housing expenses including rehabilitation/reconstruction loan plus taxes and insurance, must not exceed 30% of the applicant's gross monthly income.
- g. Applicant's total monthly debt payment, including housing expenses plus other installment payments must not exceed 40% of the applicant's gross monthly income.
3. Housing rehabilitation loans are for a maximum of \$25,000.00 per home with up to fifteen (15) years to repay and can be combined with the Deferred Loan Program for rehabilitation. Payment will include escrow amounts for taxes and insurance.
4. Reconstruction loans shall be for a term of twenty (20) years to repay and can be combined with the Deferred Loan Program. Payment will include escrow amounts for taxes and insurance.
5. Qualified Applicants who own a home built prior to 1978 will be provided a grant that covers 100% of the total expense to perform a Lead Base Paint Risk Assessment/Inspection, all lab fees, interim controls and/or abatement procedures, and clearance testing to ensure that the home is lead safe. Lead Base Paint requirements do not apply to reconstruction.
6. Any expenses classified as costs related to Lead Base Paint Hazard Evaluation and Reduction Costs shall be covered by a grant and not be included when calculating Rehabilitation costs (loan amount). Loan amounts do not include:
 - a. Soft Costs: Financing Fees, Credit reports, Title binders and insurance, Recording fees, transaction taxes, legal and accounting fees, appraisals, architectural and engineering fees including specifications and job progress, Administrative Costs, Relocation Costs, Environmental Reviews, Acquisition of the Property.

DEFERRED LOAN PROGRAM

Deferred Loans are for qualified elderly head of households (HOH) (62 years of age or older), or disabled head of household (HOH) homeowners of single family homes and must meet the following requirements.

1. Ownership: Applicant(s)/Homeowner(s) must live in said home and have clear title to property (although City is willing to take a second lien position).
 - a. Applicant(s) must have an ownership interest in any one of the following types of ownership in the property to be improved:
 - i. Individual fee ownership with recorded deed (no corporate, trust, legal partnerships, etc.); or
 - ii. Individual fee ownership subject to a mortgage or other lien securing debt; or
 - iii. An ownership interest in a properly recorded land contract; or

- iv. A life estate interest provided the following are met:
 1. The life estate person occupying the dwelling to receive assistance must be income eligible.
 2. The life estate agreement terms must be written, signed, and recorded in the public records of Cameron County, Texas.
 3. The holders of the remainder interest in the dwelling must agree, in writing, to repay the loan if the dwelling ceases to be the principal place of residence of the current life estate person(s) during the affordability period.
 4. Both the owner of the life estate and the holder(s) of the remainder interest must sign program documents.
 5. The holder(s) of the remainder interest must sign the "Life estate Responsibility" form.

DEFERRED LOAN MATRIX	10 Year Deferred- Maximum of \$18,000	5 Year Deferred- Maximum of \$25,000	10 Year Deferred- Maximum of \$25,000	10 Year Deferred- \$25,000+	Low Interest Loan
Elderly Head of Household 62-65 (Low Income)	★				★
Elderly Head of Household 66-70 (Low Income)		★			★
Elderly Head of Household 71 and up (Low Income)		★		★	★
Elderly Head of Household 62-65 with non disabled adult household members (Low Income)	★				★
Elderly Head of Household 66-70 with non disabled adult household members (Low Income)			★		★
Elderly Head of Household 71 and up with non disabled adult household members (Low Income)			★		★
Disabled Head of Household (Low Income)	★				★
Low Income Household (Single or Family)					★
Low Income Household (Single or Family) with non disabled adult household member(s)					★
Low Income Household (Single or Family) with disabled household member(s)					★

Terms: Deferred Loans shall be forgiven at a rate of 1/5th or 1/10th per year.

Deferred Loans for elderly HOH Applicants (71 and up) and/or their Spouse shall be forgiven at a rate of 1/5th for the first \$25,000.00 and at a rate of 1/10th for any remaining balance (to run concurrently).

Deferred Loans less any amounts forgiven shall be due and payable upon the occurrence of any one or more of the following events:

- a. Sale of the property by Applicant(s); or
 - b. Lease or conveyance of property by Applicant(s) for a period exceeding thirty (30) calendar days, or;
 - c. Applicant(s) ceases to reside or dwell in and on the property for a continuous period of thirty (30) days.
2. Qualified applicants who own a home built prior to 1978 will be provided a grant that covers 100% of the total expense to perform a Lead-Based Paint Risk Assessment/Inspection, all lab fees, interim controls and/or abatement procedures and

clearance testing to ensure that the home is lead safe. Lead Base Paint requirements do not apply to reconstruction.

3. Upon the death of Homeowner(s), the City may at its option;
 - a. declare the un-forgiven portion of the Note to be immediately due and payable or
 - b. renegotiate the note with the household member(s) or
 - c. renegotiate a new note with the new homeowner to provide for payment of principal and interest (if applicable) providing the new homeowner meets HUD low income guidelines.

EMERGENCY REHABILITATION LOAN PROGRAM

The Emergency Rehabilitation Loan program provides the Community Development Department with the ability to help those homeowners with severe housing deficiencies.

1. An emergency is defined as conditions that render a house uninhabitable, extremely dangerous to the occupants, or that are capable of causing severe health problems.
2. When a homeowner requests assistance, either during or between application periods and shows an emergency exists, the Housing Rehabilitation Specialist conducts a rough inspection to verify the extent of the emergency.
3. Because this program is derived from the Housing Rehabilitation Program, the applicant must fulfill all of the requirements for the 0% Interest Loan program and requirements listed in this section.
 - a. **DEFINITION OF EMERGENCY:** An emergency is defined as conditions that render a house uninhabitable, extremely dangerous to the occupants, or that are capable of causing severe health problems. The Housing Rehabilitation Specialist will determine if an emergency exists, and provide the appropriate documentation. Emergencies may consist of but not be limited to, leaking roofs, hazardous wiring and meter service, backed up or damaged sewer lines, damaged water lines and water heater breakage or malfunction.
 - b. **NO PROPERTIES IDENTIFIED BY THE CODE ENFORCEMENT OFFICER FOR DEMOLITION MAY BE HELPED UNDER THE EMERGENCY LOAN PROGRAM.**
4. The maximum amount for an emergency loan is \$3,000.00, and will be made at 0% interest.
5. Cases involving a catastrophic loss resulting from a fire, flood or natural disaster may be afforded rehabilitation or reconstruction services. All other program requirements apply, the only difference being that requests for assistance under this program are kept on a separate waiting list and will therefore be addressed more quickly but also on a first-come, first-serve basis. Assistance will be provided in the form of deferred and low interest loans as stated elsewhere. Applicant must have proof of occupancy at the time of the catastrophic loss.

Section 11 -LEAD BASE PAINT TESTING AND LEAD HAZARD REDUCTION PLAN

All Applicants qualifying for assistance under any of the loan programs for rehabilitation will have their homes tested for lead based paint according to HUD guidelines if their home was constructed prior to 1978 except those properties exempt under the following:

Residential structures built after January 1, 1978.
Emergency action activities.

Existence of Lead Based Paint unlikely:

- Areas where state and local governments banned lead based paint prior to January 1, 1978.
- Properties found not to contain lead based paint during earlier testing that meets the requirements of prior evaluations.
- Properties where all lead based paint has been identified and removed using approved methods.

Human threat Unlikely:

- Unoccupied units that will be demolished.
- Property not used for human residential habitation.
- Rehabilitation that does not disturb paint.

Homeowners shall be provided with information about the hazards of lead based paint. Testing shall be completed by a certified lead based paint testing professional. Personnel shall be required to follow all HUD standards regarding the testing of lead base paint.

The following actions must be taken to protect occupants from lead-based paint hazards associated with lead hazard reduction activities.

- Occupants may not enter the worksite during lead hazard reduction activities. Reentry is permitted only after lead hazard reduction activities are completed and the dwelling has passed a clearance examination.
- Occupants of the unit must temporarily relocate during lead hazard reduction activities. Relocation shall be voluntary as part of the program assistance to be provided. Relocation must be done before lead hazard reduction activities begin.

Relocation is recommended when lead reduction procedures require that:

- 1) Utilities such as water, electricity, and gas are turned off for periods exceeding eight hours.
- 2) Lead reduction takes place in the kitchen or available bathrooms.
- 3) Extensive lead reduction in several rooms requiring work over several days.
- 4) Occupants cannot be prevented from entering the containment site after hours.
- 5) Debris and lead dust cannot be contained in the worksite and may spread to occupied areas.

- 6) A pregnant woman or a child under the age of six occupies the home.

Circumstances when occupant relocation is not required:

- 1) Treatment will not disturb lead-based paint or lead-contaminated dust.
- 2) Treatment of the interior will be completed within one period in eight daytime hours, the site will be contained, and the work will not create other safety, health, or environmental hazards.
- 3) Only the building's exterior is treated; the windows, doors, ventilation intakes, and other openings near the worksite are sealed during hazard reduction activities and cleaned afterward; and a lead safe entry is provided.
- 4) Treatment will be completed within five calendar days; the work area is sealed; at the end of each day, the area within 10 feet of the containment area is cleared of debris; at the end of each day, occupants have safe access to sleeping areas, bathroom, and kitchen facilities; and treatment does not create other safety, health, or environmental hazards.

Occupants belongings should be protected from lead contamination during lead hazard reduction activities by relocating or covering and sealing them and ensure that the worksite is secured.

Section 12 - PROGRAM IMPLEMENTATION

METHOD OF IMPLEMENTATION FOR 0, 1 or 2% INTEREST, DEFERRED, RECONSTRUCTION AND EMERGENCY LOAN PROGRAMS

1. Applications for assistance under any of the programs contained herein will be processed and reviewed by the Community Development Staff.
2. The Community Development Staff will formally accept or reject all applications for assistance based on meeting program requirements by staff review of submitted information received from the applicant, the credit reporting agency, Title Company, etc.
3. Applications for program assistance will be taken on a "first come first serve" basis, except in emergency assistance cases.
4. Applicants will be chosen for eligibility review from a waiting list.
5. If an applicant is eligible for assistance, the Community Development Staff will help homeowner, if he so chooses, through the bidding process by advertising for proposals and receiving bids from general contractors.
6. The Homeowner(s) may elect to seek a bid proposal from any qualified contractor on their own.
7. **Any contractor selected by homeowner(s) shall apply for contractor eligibility through the Community Development Department, and must be approved before bidding on a project.**
8. Bid proposals must be according to the guidelines established by the Community Development Department to ensure compliance with the requirements applicable to the use of federal funds.
9. Homeowners Insurance shall be required for any home assisted through the Community Development Department's Housing Rehabilitation/Reconstruction Program, through an escrow account for taxes and insurance, and to keep said insurance in full force and effect for the duration of the loan.

10. Recipients of Low Interest Loans or Deferred loans shall be required to maintain insurance for the duration of the loan. Failure to do so may result in ineligibility for future assistance.
11. Recipients of low interest loans or deferred loans will be required to maintain tax and insurance escrow accounts during the duration of the loan.
12. In order to ensure maximum use of CDBG funds, the lowest qualified bidder will be awarded the rehabilitation/reconstruction project. In cases where the lowest bid exceeds the loan limit, the Homeowner(s) will have the option of:
 - a. Paying the difference over the maximum loan amount, or
 - b. Reducing the amount of work to be done to comply with the maximum loan limits (although all safety, health and code violations shall not be omitted from specifications), or
 - c. The home may be rejected from participation in the rehabilitation program as said property will be considered beyond rehabilitation program assistance, and the project can be considered for the reconstruction program or referred to other affordable housing providers housing programs.
 - d. In most cases, a maximum of two contracts per cycle will be awarded per Contractor. This limit may be waived by the Community Development Director if the lowest responsible bidder has demonstrated prior capacity and performance experience in our program,
 - e. Contractors bidding for the first time, and being the low bidder on more than one home, will only be awarded one home.
13. After the Contractor has been selected, the Community Development Staff will fund for assistance through one or more of the programs previously described.
14. All activities undertaken in the Housing Rehabilitation/Reconstruction Program are subject to the conditions and provisions set forth in the program's Mechanic's Lien Contract, Rehabilitation/Reconstruction Contract, Deed of Trust, Promissory Note, etc., which is signed by both the Contractor and Homeowner(s) before commencement of the work.
15. If an unforeseen problem arises during the construction period, a change order may be submitted.
16. Change orders, if necessary, will be reviewed on a case by case basis and must be approved in writing by the Housing Rehabilitation Specialist, Community Development Director, Contractor and Homeowner(s) before proceeding with the work being requested.
17. Loan amount including change orders may not exceed the maximum loan limits, unless an unforeseen problem arises such as (including, but not limited to):
 - a. Deteriorated roof decking
 - b. Deteriorated foundation beams
 - c. Faulty electrical wiring
 - d. Damaged plumbing lines (gas, water, sewer)
 - e. Interior wall and roof framing damage.
18. Change orders for unforeseen items, may not exceed 15% of the maximum loan limits or 25% of the original bid amount.
19. All participants (Applicants and Contractors) must abide by the Housing Rehabilitation/Reconstruction Program Guidelines and procedures as established by the Community Development Housing Program Staff to participate in the program.

20. The Housing Rehabilitation Specialist will:
 - a. Assist the Homeowner(s) in ensuring that all work is completed and passes city inspection according to established specifications, floor plans and/or City's Building Code and Ordinances.
 - b. Conduct a final inspection of the structure when notified to do so in writing by the Contractor.
 - c. When final inspection determines that the rehabilitation/reconstruction work has been satisfactorily completed according to the Specifications, floor plans, construction contract, City of Harlingen's Housing Rehabilitation/Reconstruction Performance Manual and all applicable City Codes and Ordinances, and obtain from the Contractor a signed "Contractor's Affidavit", along with affidavits from the electrician's and plumber's if applicable. Warranties for specific items will also be requested from Contractor before final payment is made.
21. Homeowners and Contractors are encouraged to resolve any dispute among themselves.
22. If Homeowner(s) and Contractor are not able to reach a mutual agreeable solution, then the dispute may be brought before the Community Development Department to review the situation and make a resolution ruling.
23. If the ruling is unacceptable by both parties, then the parties may seek legal recourse. The City of Harlingen will not be a party to such litigation.
24. Applicants who cancel applications after title search, credit report, lead based paint inspection/testing, and/or specifications have been made shall be charged for the soft costs expended if they reapply in the future.
25. Applicants who postpone their applications will be placed at the bottom of the waiting list.
26. The City of Harlingen will maintain all applications and files as required by the U.S. Department of Housing and Urban Development, and will be available for review by the U.S. Department of Housing and Urban Development Staff.
27. Where collection of regular monthly payments is required, the Housing Rehabilitation Staff will provide the Homeowner(s) with a payment booklet along with a copy of all documents signed by the parties involved.
28. Housing Rehabilitation Staff will establish escrow accounts for taxes and insurance for those assisted.
29. All homes require a Windstorm Inspection and certificate.

Section 13 - CONFLICT OF INTEREST

The City of Harlingen covenants that neither member of its organization nor staff member who exercises influence on the decision making process presently has or will have any interest, direct or indirect, with any person, corporation, company or association hired to carry out any program activities or is a beneficiary of any program activity. All program participants will be required to sign a Conflict of Interest statement under which any existing or potential conflict of interest must be revealed.

Section 14 - STAFF INSPECTION- PLANS - SPECIFICATIONS

The Housing Rehabilitation Specialist will visit the site of the proposed project to do an inspection of the home and develop a preliminary work write-up.

1. In regard to rehabilitation, primary areas to be inspected and evaluated will be those outlined in the International Property Maintenance Code. This code provides the minimum requirements necessary to maintain any residential occupancy in a safe and sanitary condition. Compliance with the American Disability Act will be required for those persons assisted with a physical disability.
2. Following the preliminary inspection, the Housing Rehabilitation Specialist will help Homeowner(s) in developing a floor plan and specifications explaining work that is to be needed to make the home safe, decent, and sanitary.

Section 15 - RECONSTRUCTION PLANS & SPECIFICATIONS

Reconstruction consists of demolishing and rebuilding a housing unit on the same lot.

1. The number of housing units on the lot may not be increased as part of the home reconstruction, however the number of rooms may be decreased or increased.
2. Standard 2 and 3 bedroom floor plans and specifications developed by the Community Development Department to meet all applicable codes shall be used for all reconstruction projects.
3. There shall be no exceptions or deviations except for handicapped accessibility and property and/or utility constraints.

Section 16 - REHABILITATION PLANS & SPECIFICATIONS

After the floor plan and specifications have been completed, the Housing Rehabilitation Specialist will provide applicant with a preliminary cost estimate for all repairs to be made on home.

If the estimated construction cost exceeds the maximum loan limits, and applicant cannot pay for the excess cost to meet codes adopted by the City, the Housing Rehabilitation Specialist shall refer the applicant to be considered for reconstruction or be referred to other affordable housing providers for consideration in their housing programs. If the project cannot be qualified under any program, the Housing Rehabilitation Specialist shall recommend that the project be rejected.

Section 17 - REHABILITATION/RECONSTRUCTION

Upon approval of the plans and specifications by Homeowner, the Housing Rehabilitation Specialist will develop detailed bid specifications and floor plans to provide bidding Contractors with a description of all work that is to be completed.

Detailed specifications will include a floor plan of the structure and a detailed description of all work to be done. Applicant will be required to sign a "Certificate of Acceptance" form. This is to confirm their agreement and full understanding of the scope of assistance to be provided.

Section 18 - OBTAINING BIDS FOR CONSTRUCTION

The Community Development Department will assist Homeowners through the bidding process by advertising for bidders via local newspaper, internet, email, or fax.

1. A minimum of fifteen (15) days will be given to allow Contractors enough time to prepare a bid and meet HUD regulations.
2. Staff will hold a pre-bid conference with all bidding Contractors to discuss any questions regarding specifications, floor plans and site locations.
3. Contractors must submit bids for Housing Rehabilitation projects to the Community Development Department in a sealed envelope within the time allotted, as specified in advertisement for bids, otherwise bids will not be considered.
4. All bids will be opened at a scheduled bid opening as specified in advertisement for bids.
5. Contractors will be awarded a maximum of two (2) contracts per bidding cycle. This limit may be waived by the Community Development Director provided that the Contractor has demonstrated capacity and experience on prior projects with the City of Harlingen Community Development Department and negotiations with the second lowest bidder have failed. In the case that a Contractor is determined to be the lowest bidder on more than two contracts and does not have the demonstrated experience and capacity, the contracts to be awarded to the next lowest bidder upon determination the bid is reasonable and justifiable. The remaining bids will be awarded to the next lowest qualified bidder(s). Contractors bidding for the first time, and being low bidder on more than one home, will only be awarded one home.
6. Bidders proposals will be in effect for thirty (30) days after correctly submitting bid.
7. Upon award of a bid, Homeowner(s) shall issue a Notice to Proceed to Contractor no later than fifteen (15) days from the bid award date.
8. If the foregoing time limits are exceeded, it shall be the Bidders prerogative to withdraw his/her bid in writing, if he/she so desires.
9. If all bids are over the maximum loan limit amount, bids will be reviewed by the Homeowner(s) and Housing Rehabilitation Specialist to decide what items, if any, listed in the Specifications can be eliminated, but still address all code related repairs.
 - a. Non code related repairs may be eliminated to bring project within maximum loan limits.
 - b. If project cannot be reduced to the maximum loan limit amount, the applicant may choose to pay the difference, up to 20% of the loan limit amount.
10. Once a Contractor has been selected, authorization to start construction will be in a Notice to Proceed Order to the Contractor.
11. Contractor will be required to start construction on project within ten (10) working days of contract signing.
12. Following approval of loans by Department, the Community Development Staff will prepare loan documents, and notify applicant of the closing date.

13. During the loan closing process, all necessary loan documents and construction contracts will be signed by Homeowner(s) and Contractor.
14. The Homeowner, Contractor, and Community Development Staff shall attend the loan closing.
15. Contractors must register with the Community Development Department and Building Inspections Department.

Section 19 - PREPARATION, RECEIPT AND OPENING OF BIDS

Each bid must be submitted on the supplied form and be accompanied by:

1. Non-Collusion Affidavit;
2. Agreement to provide the following:
 - a. Proof of General Contractor's and Subcontractor's (plumbers, electricians, etc.) registration with the City of Harlingen.
 - b. List of all subcontractors;
 - c. Proof of General Liability & Automobile Insurance
3. Bids will be received by the Community Development Department of the City of Harlingen until date and time specified on public notice, and then publicly opened and read aloud.
4. The envelopes containing the bids must be sealed, addressed to the City of Harlingen, Community Development Dept. 502 E. Tyler, Harlingen, Texas.
5. The City may consider informal any bid not prepared and submitted in accordance with the provisions thereof and may waive any informalities or reject any and all bids. Any bid may be withdrawn prior to the above scheduled time for the opening of bids or authorized postponement thereof.
6. Any bid received after the time and date specified shall not be considered.
7. Two qualified bids correctly submitted as specified above, shall be preferred per bid opening on each project.
8. The City reserves the right to reject any or all bids.
9. All required forms must be submitted at the time of bid opening.
10. Contractor and subcontractors must be in good standing and not be indebted to the City of Harlingen.

Section 20 - QUALIFICATIONS OF BIDDERS

1. The City may make investigations as deemed necessary to determine the ability of the bidder to perform the rehabilitation/reconstruction work and the bidder shall furnish to the City of Harlingen all such information and dates for the purpose as the City may request.
2. The City reserves the right to reject any bid if the evidence submitted by or investigation of, such bidder fails to satisfy the City that such bidder is properly qualified to carry out the obligations of the contract and to complete the work contemplated therein.
3. Conditional bids will not be accepted.

4. Bidder must agree to commence work on or before a date to be specified in a written "Notice to Proceed" from the Homeowner(s) and to fully complete the improvements within the time period specified in the contract between the Homeowner(s) and Contractor.
5. Bidder must agree to also pay, as a penalty for not complying with the time specified in the Contract, the sum of \$75.00 for each working day beyond the time specified.
6. Each bidder must inform himself/herself fully of the conditions relating to the construction of the project and the employment of labor thereon.
7. Contractor/Bidder will acknowledge that he/she is familiar with conditions enabling him to estimate costs or work as called for.
8. Quantities and dimensions as indicated on specifications and floor plans are approximate.
9. It is the Contractors responsibility to verify all quantities and dimensions for the purpose of estimating. Failure to do so will not relieve a successful bidder of his obligations to furnish all material and labor necessary to carry out the provisions of his/her contract.
10. Insofar as possible, the Contractor, in carrying out his/her work must employ such methods or means as will not cause any interruption of, or interference with the work of any other Contractor.
11. If a Homeowner remains in the home during rehabilitation of the home, and a utility is to be turned off for rehabilitation purposes, and left off for more than twenty-four hours, there will be a fine of \$50.00 per day unless temporary facilities are set up on the premises at the Contractor's expense.
12. No interpretation of the meaning of the plans, specifications or other pre-bid documents will be made to any bidder orally.
13. Any and all such interpretations and any supplemental instructions will be in the form of written addenda to the specifications which, if issued, will be mailed to all prospective bidders or may be distributed at the pre-bid conference.
14. Failure of any bidder to receive any such addendum or interpretation shall not relieve such bidder from any obligation under his/her bid as submitted.
15. All addendums so issued shall become a part of the Contract documents.
16. The Bidder's attention is directed to the fact that all applicable State Laws, Municipal Ordinances and the rules and regulations of all authorities having jurisdiction over construction of the project shall apply to the contract throughout and they will be deemed to be included in the contract the same as though herein written out in full.
17. At the time of opening of bids, each bidder will be presumed to have inspected the site and to have read and to be thoroughly familiar with the plans, specifications and contract documents (including all addendum and/or interpretations).
18. The failure or omission of any bidder to examine any form, instrument or document shall in no way relieve any bidder from obligation in respect of his/her bid.

Section 21 - CONSTRUCTION

During the construction phase, the Housing Rehabilitation Specialist will make periodic inspections to ensure work is completed in a satisfactory manner and to ensure compliance with specifications, floor plans, City codes, City of Harlingen Housing Rehabilitation Performance Manual and other terms and conditions of the construction contract.

Section 22 - CONTRACTOR REQUIREMENTS AND RESPONSIBILITIES

1. Contractors shall be required to furnish evidence of the following:
 - a. Commercial General Liability Insurance protecting the Owner(s) in an amount of not less than \$300,000.00 Each Occurrence, \$300,000.00 General Aggregate;
 - b. \$300,000.00 Products & Completed Operations Aggregate in case of bodily injury including death and property damage (inclusion of Builder's Risk Ins.) arising out of the work performed by or on behalf of the Contractor;
 - c. Automobile Liability Insurance coverage in an amount of at least \$20,000.00 each person, \$40,000.00 each accident for bodily injury including death and \$15,000.00 for property damage, as required by the Texas Safety Responsibility Act.
2. Plumbers and Electricians hired by Contractors must have master license for their respective trades and have their professions registered with the City of Harlingen. Plumbers and Electricians will be required to obtain their own permits.
3. General Contractor will not be allowed to pick up permits for their Plumbers or Electricians.
4. Contractor shall be required to obtain all necessary building permits before starting construction.
5. Contractor will also call upon the proper authorities for code compliance inspections and assume the fee for the same.
6. Contractor shall submit sealed bids promptly and accurately to the Community Development Department at 502 E. Tyler, Harlingen Texas, on or before the time specified in the bid packet.
7. Contractors will be allowed to visit proposed construction sites after bid packets are issued.
8. During the pre-bid conference Contractor will clarify if so needed, with the Housing Rehabilitation Staff, any item stated on the specifications, otherwise, the specifications shall remain as written.
9. Contractor shall review specifications with accompanying floor plans so that any item or any work specified in either the specifications or floor plans are to be executed the same as if occurring in both.
10. Any items of labor or articles of materials that are neither directly nor indirectly shown on the drawings or mentioned in the specifications but are nevertheless necessary for proper completion of the obvious intention hereof, are to be provided by the Contractor in his bid.
11. Should any drawings or dimensions be omitted on the scale drawings where are necessary for a clear and comprehensive understanding, or should any errors appear in either, it will be the responsibility of the Contractor to advise the proper parties, but not go on with the work in uncertainty.
12. All materials of all kinds and character, except those materials included in the contract of a subcontractor, are to be furnished by the General Contractor unless otherwise therein described.
13. The Contractor is to furnish all transportation, labor, materials, apparatuses and tools for doing the entire work in the best possible and most rapid manner; and to its entire proper and substantial completion.
14. The Contractor shall be responsible for removal or trimming of any trees, shrubs, etc.

15. The Contractor shall be held responsible for any violation of City Ordinances.
16. The Contractor shall remove all rubbish, waste material and construction material from site no less than once a week, and keep the premises as clean as possible during the process of the rehabilitation/reconstruction work.
17. At the time of project completion, the Contractor shall deliver the building in a broom clean condition.
18. Contractor shall be required to commence work within ten (10) working days from contract signing (or as stated in the Notice to Proceed), and shall meet deadline for completion of project as specified in the Construction Contract.
19. Contractor shall follow Lead Base Paint Safe Work Practices in the event lead base paint is found in the home.
20. Any Contractor exceeding the deadline will be penalized according to the Construction Contract. Contractors will be given one additional work day for every approved rain day during the construction period as specified in the Construction Contract.
21. All labor is to be done in a skillful and thorough manner. All material to be of the dimension, design and grade as specified.
22. Unless specified otherwise, any patented materials specified by trade name are to be applied or installed strictly according to manufacturer's specifications.
23. Contractor shall be responsible for any subcontractors hired to do any part of this contract.
24. Contractor will be allowed one extension on each job, providing said extension is justifiable and requested by Contractor in writing.
25. Any telephone wiring removed or damaged by Contractor or Subcontractor shall be replaced or reinstalled at Contractor's expense.
26. Property items that do not call for removal on the specifications shall be reinstalled or replaced by Contractor before final inspection.
27. Contractor shall request final inspection only when the job is 100% complete.
28. Final inspection shall include among other requirements, trash removal from premises.
29. Plumbing and electrical work will need to be inspected and approved by the City of Harlingen Building Inspection Department before final payment can be made to General Contractor.
30. When job is 100% complete, the Contractor shall submit a General Contractor's notarized sworn affidavit that all material suppliers and subcontractors have been fully paid, and liens against the property have been released.
31. Contractor shall submit all pay requests in writing, no less than five (5) working days before payment being **issued**.
32. Drawdown requests for contractor payments will not be processed until all documents for payment have been signed by Homeowner, Contractor and Community Development Staff.
33. Payments to General Contractor for Rehabilitation Loans will be made out according to completion percentage as specified below:

30% of contract at 33% completion
30% of contract at 66% completion
30% of contract at 100% completion
10% of contract three (3) months after completion
100%

Payments on Reconstruction Loans will be based on percentage of completion.

Section 23 - GUARANTEES & WARRANTIES

1. Contractor shall guarantee all work detailed in the specifications for three (3) months (see exceptions below) from date of final acceptance by Homeowner(s) and the Community Development Department.
2. All Homeowner complaints regarding repairs during the three-month guarantee period shall be submitted in writing to the Community Development Department within the time required by the Community Development Department.
3. Prompt action to remedy defects during the 3 month period is required from Contractor upon verbal notice from Community Development Staff.
4. Contractor must respond to life, health, and safety defects within 24 hours.
5. Contractor shall give Homeowner(s) and the Community Development Department a copy of all manufacturer's and suppliers written warranties covering material and equipment furnished under the contract from Contractor.
6. Contractor shall present Homeowner(s) and the Community Development Department, at a minimum, written copies of manufacturer warranties as follows:
 - a. Shingle Roofing (Copy of manufacturer's warranty (Min 25 year)
 - b. Water Heater
 - c. Air Conditioning/Heating equipment
7. Guarantee periods (beside manufacturers warranties) are as follows:

1 year: for any newly installed sheetrock, framing, insulation, exterior siding and trim, roofing, flooring, foundation (leveling) exterior and interior doors and windows.

2 years: New electrical wiring, plumbing lines and central air conditioning and heating.

Section 24 – REHABILITATION/RECONSTRUCTION DEFICIENCIES

1. Deficiencies during the 1 to 2 year warranty period must be corrected within ten (10) working days from Contractor being notified by the Homeowner(s) or in some cases from the City of Harlingen Community Development Department on behalf of Homeowner, unless a danger exists to Homeowner. In this case repairs shall be done immediately upon notice.
2. If Contractor fails to repair said items after verbal notice, Contractor will be notified via certified mail to correct items within 10 days upon receipt of said notice. However, if a danger exists, repairs shall be done immediately upon notice.
3. If Contractor fails to repair said warranty items within the ten (10)day period in the certified notice, the Homeowner has the option of requesting in writing that the City hire another Contractor to make repairs.
4. If a Contractor fails to honor any work covered during the warranty he shall be deemed ineligible for any future program participation.
5. With respect to all work performed under this contract, the Contractor shall:
 - a. Comply with the safety standard provisions of applicable laws, building and construction code and the "Manual of Accident prevention in Construction" published by the Associated General Contractors of America," the requirements of the Occupational Safety and Health Act of 1970, (Public law 91-956), and the

requirements of Title 29 of the Code of Federal Regulations Sec. 1518, as published in the Federal Register Vol. 36, #75, Saturday, April 17, 1971.

- b. Exercise every precaution at all times for the prevention of accidents and the protection of persons (including employees), and property.
- c. Maintain at his/her office or other well-known place at the job site, all articles necessary to give first aid to the injured, and shall make standing arrangements for the immediate removal to a hospital or a doctors care of persons (including employees who may be injured on the job site.)
- d. In no case shall employees be allowed to work at a job site before the employer has arranged for removal of the injured person(s) to a hospital or doctor's care.

Section 25 - SUB-CONTRACTORS

The General Contractors are specifically advised that any person, firm or party to whom it is proposed to award a subcontract under this contract must:

1. Be acceptable to both the Homeowner(s) and the Community Development Department.
2. Approval of the proposed contract award cannot be given by the Community Development Department unless and until the proposed subcontractor has submitted the required documentation stipulated in the bid documents and/or other evidence showing that they have fully complied with any requirements to which they are subject to.
3. Although the bidder is not required to attach such certifications by proposed contractors to his bid, the bidder is hereby advised of this requirement so that appropriate action can be taken to prevent subsequent delay.
4. Electrician, mechanical, and plumbing subcontractors will obtain permits from the Harlingen Building Inspection office. General Contractors will not be allowed to pick up permits for Plumbers or Electricians.

Section 26 - GRIEVANCE POLICY

1. The Grievance Policy of the Community Development Housing Rehabilitation Program of the City of Harlingen provides for a Grievance Committee to hear and review any complaints directly related to the Housing Rehabilitation/Reconstruction Program.
2. A three member subcommittee herein called the "CDAB Rehabilitation Grievance Committee" shall meet when necessary to review any problems arising from the Housing Rehabilitation/Reconstruction Program which may not have been satisfactorily resolved by the Community Development Staff.
3. Any person who has applied for participation and/or received assistance under the Housing Rehabilitation/Reconstruction Program may register any complaints in writing with the Community Development Department.
4. The Community Development Director shall have thirty (30) days to respond to said complaint.
5. If Community Development Director's response is unsatisfactory, Complainant may then request in writing a review of the matter by the CDAB Rehabilitation Grievance Committee.

6. Date for Grievance Committee meeting shall be set within forty-five (45) days from receipt of complaint. Complainant shall be notified of such date.
7. The Rehabilitation Grievance Committee shall review complaint as registered in writing. Review will contain:
 - a. Initial written complaint submitted to the Community Development Director
 - b. Response from the Community Development Director.
 - c. Complainants request for review by the CDAB Rehabilitation Grievance Committee.
 - d. Any information provided by Complainant or Housing Rehabilitation Staff directly related to the written complaint.
8. Complainant and Community Development Staff may be present for Committee Review.
9. The CDAB Rehabilitation Grievance Committee, upon reviewing all related information to complaint, shall meet in closed session to reach a consensus decision.
10. The decision shall be provided in writing to Community Development Director and Complainant within fifteen (15) days of the meeting.
11. The CDAB Rehabilitation Grievance Committee has no legal power to alter any contract, agreement, or document of the City of Harlingen, but shall act in an advisory capacity to correct the issue being reviewed.
12. The elective commission of the City of Harlingen shall have the final decision regarding any action of the CDAB Rehabilitation Grievance Committee.
13. If Complainant is dissatisfied with the decision of the CDAB Rehabilitation Grievance Committee, Complainant may then write to the U.S. Department of Housing and Urban Development (the funding agency for the Community Development Block Grant Program).

Section 27 - CONTRACT PROVISIONS

1. The City of Harlingen may make such investigations as deemed necessary to determine the ability of the Contractor to perform the rehabilitation work and the Contractor will furnish to the City all such information and dates for the purpose as the City may request.
2. The City reserves the right to reject any bid if the evidence submitted by or investigation of such Contractor fails to satisfy the City that such Contractor is properly qualified to carry out the obligations of the contract and to complete the work contemplated therein.
3. Failure to comply with all provisions of the Program Guidelines, the Housing Rehabilitation/Reconstruction Contract, City of Harlingen's Contractors Performance Manual and all applicable City Codes' and Ordinances will constitute grounds for corrective action by the City and may disqualify Contractors participation in the Housing Rehabilitation/Reconstruction Program.
4. If Contractor disagrees with the Community Development Departments determination, he/she may appeal the decision by requesting, in writing to go before the CDAB Rehabilitation Grievance Committee.

Section 28 – DELINQUENT ACCOUNT COLLECTION POLICY

The Community Development Department for the City of Harlingen will follow the procedures below when a payment on an account is more than 30 days late.

When an account becomes 30 days delinquent, a reminder notice via phone, email, or mail will be sent.

If a payment is not received after the reminder notice, the following notices shall be sent to the last known address via certified mail, return receipt requested and regular mail, or via email.

1. First notification of delinquency will be sent by departmental staff when 30 days have lapsed since a payment has been received on the account.
2. Second notification of delinquency will be sent by the Director when 60 days have lapsed since a payment has been received on the account.
3. Third notification (Notice of Intent to Accelerate) will be sent by City Attorney when 90 days have lapsed since a payment has been received on the account.
4. Fourth notification (Notice to Accelerate) will be sent by City Attorney 30 days after “Notice of Intent to Accelerate” has been received.
5. Upon failure to respond to the above notices, proceedings to foreclose will be initiated by the City Attorney.

Section 29 – DOCUMENT MAINTENANCE

These guidelines/policies will undergo the normal periodic process of revisions, corrections, and additions to ensure compliance with federal regulations and the intent of the program. Any changes due to statutory or regulatory requirements or changes to existing policies approved by the Board to incorporate changes made to existing policies codified in the Code of Federal Regulations are also considered as non-significant and can be approved at the staff level.

Community Development Advisory Board Approval: June 30, 2016

Section 29 - PROGRAM DOCUMENTS

Rehabilitation/Reconstruction Tracking Sheet

Program Application

- Eligibility Release Form
- Financial Privacy Notice
- HUD Program Application Requirements
- Affidavit of Homeowner
- Certification of Zero Income
- Income Tax Verification
- Confirmation of Receipt of Lead Pamphlet (Protect your Family)
- Confirmation of Receipt of Renovate Right pamphlet

Medical Necessity Form

Verification Forms

- Employment
- Assets
- Pension & Annuities
- Public Assistance
- VA Benefits
- Child Support Payments
- Mortgage

- Life Estate Responsibility
- Household Income Certification (HIC)
- Preliminary Cost Estimate
- Letter of Acceptance/Denial
- Loan Estimate
- Homeowners Bid Authorization form
- Waiver of Handicapped Accessible Items
- Certification of Acceptance
- Agreement to Participate
- Bid Tabulation with homeowners approval
- Award Letter to Contractor
- Closing Disclosure
- Rehabilitation/Reconstruction Loan Agreement
- Construction Contract
- Deed of Trust
- Promissory Note & amortization schedule
- Mechanic's Lien
- Transfer of Lien
- Notice of Lead Hazard Reduction
- Contractors Application
- Contractors Evaluation
- Contractors Affidavit & Warranty
- Subcontractors Affidavit & Warranty
- Acknowledgement of Documents
- Release of Lien

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ATTACHMENT 1- INCOME LIMITS

Brownsville-Harlingen MSA - Cameron County, Texas Effective April 13, 2016 (HOME LIMITS)										
FY 2016 Income Limit Area	<u>Median Income</u>	FY 2016 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Brownsville-Harlingen, TX MSA	\$38,200	Extremely Low (30%) Income Limits	\$11,000	\$12,600	\$14,150	\$15,700	\$17,000	\$18,250	\$19,500	\$20,750
		Very Low (50%) Income Limits	\$18,350	\$21,000	\$23,600	\$26,200	\$28,300	\$30,400	\$32,500	\$34,600
		66% Limits	\$22,020	\$25,200	\$28,320	\$31,440	\$33,960	\$36,480	\$39,000	\$41,520
		Low (80%) Income Limits	\$29,350	\$33,550	\$37,750	\$41,900	\$45,300	\$48,650	\$52,000	\$55,350

* The FY 2014 Consolidated Appropriations Act changed the definition of extremely low-income to be the greater of 30/50ths (60 percent) of the Section 8 very low-income limit or the poverty guideline as [established by the Department of Health and Human Services \(HHS\)](#), provided that this amount is not greater than the Section 8 50% very low-income limit. Consequently, the extremely low (30%) income limits may equal the very low (50%) income limits.