



Marietta CDBG Housing Rehabilitation Program
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Housing Rehabilitation Program

PROGRAM REQUIREMENTS

The Housing Rehabilitation Program offers home-owner rehabilitation assistance to residents of the City of Marietta based on the household income, requests of the home-owner, and the conditions of the home.

The Housing Rehabilitation Program will provide financial assistance to very low income homeowners in the form of a grant to address housing conditions that are imminent health and/or safety threats. Low to moderate income homeowners may qualify for the zero% interest loan program which will address code violations. Code violations may consist of but are not limited to: HVAC, electrical, plumbing, ADA, interior and exterior structural repair, etc. **Loans are for code violations only and not for home improvement upgrades.**

Housing Rehabilitation Loans will be secured by placing a **lien against the property** for the amount of the rehabilitation assistance provided to the homeowner. In the event the borrower dies or ceases to occupy the improved property as their legal residence during the term of the loan, the outstanding amount of the loan will be due and payable to the CDBG Program Office.

To qualify for participation in the Housing Rehabilitation Program homeowners must meet the following minimum eligibility criteria:

- Live in the City of Marietta.
- Own and have lived in the home as the principal residence, **for a minimum of three (3) years**;
- Be a Very Low to Moderate Income Individual or Family as determined by the U.S. Department of Housing and Urban Development [HUD];
- Have a mortgage balance plus other liens and the cost of the repairs that totals less than 95% of the value of the property [as shown on your tax bill]; and
- Have all city and county taxes and federal and state income taxes paid.

Potential Applicants will be required to submit verification of income, proof of residency, and proof of property ownership. Information obtained in the application will remain confidential and will not be disclosed to any outside agency without the applicant's consent, except for purposes of verification of income or employment and to financial institutions for verification of information as required and permitted by law. Assistance for all Housing Rehabilitation programs will be limited by the funds available. Applications will be processed on a "first-come-first-serve basis".

The Housing Rehabilitation Program offers the following types of rehabilitation financial assistance:

A. Minor Home Repair Grants [MHRG] [CDBG Program Funds]

The Minor Home Repair Grant [MHRG] Program provides a ***one-time grant*** up to \$12,000.00 dollars for income-eligible elderly or disabled homeowner occupants [i.e. ***gross family income that does not exceed the 50% level of current federal Income Limits for Cobb County based on family size***] to correct code deficiencies or energy conservation issues that represent conditions that could pose a threat to the immediate health, welfare, and/or safety of the homeowner occupants. ***Under this project, the home does not have to be brought up to all local and state codes.***

1. Heating, ventilation and air conditioning system repair or replacement
2. Exterior doors and window replacements, insulation
3. Electrical rewiring, including breakers, receptacles, GFCI, switches and plates
4. Roofing shingles and deck replacement, soffits, fascia, boots and caps, including gutters.
5. Plumbing-sewer line repair- or replacement. Bath and kitchen appliance replacements.

B. Lead/Asbestos Abatement Program (LBP/ASB)

Owner-occupants whose incomes do not exceed the current low and moderate federal Income Limit (80%) established for Cobb County, and whose homes were built ***before*** 1978, may be eligible to receive a loan for Lead Based Paint [LBP] /or Asbestos Abatement . This is a ***five (5) year Forgivable Loan [one fifth (1/5) of loan amount to be forgiven annually]*** with a zero percent [0%] interest rate.

If the borrower dies or ceases to occupy the improved property as their primary legal residence during the term of the loan, the outstanding balance of loan will be due and payable.

The LBP/ASB maximum loan amount is \$25,000 to correct housing conditions affected by the presence of lead or asbestos. The sum of all loans against the property may not exceed 95% of the post-rehab taxable appraised value.

1. Lead and asbestos testing and report by certified Inspector
2. Lead and or asbestos abatement costs as required by Inspector
3. Temporary housing expenses for homeowner & family during hazardous clearance.
4. Replacement of removed lead or asbestos-containing materials-floor covering, sheetrock, appliances

C. Minor Home Repair Loans [MHRL] [CDBG Program Funds]

Owner-occupants whose incomes do not exceed the current low and moderate federal Income Limit (80%) established for Cobb County may be eligible to receive a zero interest (0%) deferred payment loan up to ***\$35,999*** dollars to correct code deficiencies or other energy conservation issues that could pose a threat to the immediate health, welfare, and/or safety of the homeowner occupants. Under this program, the home does not have to be brought up to all local and state codes.

The sum of all existing mortgages plus all rehabilitation funds provided by the ***MHR – Loan*** cannot exceed 95% of the “after-rehab” **post-rehab taxable appraised value.**

If the borrower dies or ceases to occupy the improved property as their primary legal residence during the term of the loan, the outstanding balance of loan will be due and payable.

1. Heating, ventilation and air conditioning system repair or replacement
2. Exterior doors and window replacements, insulation
3. Electrical rewiring, including breakers, receptacles, GFCI, switches and plates
4. Roofing shingles and deck replacement, soffits, fascia, boots and caps, including gutters.
5. Plumbing-sewer line repair- or replacement. Bath and kitchen appliance replacements.

IMPLEMENTATION STEPS FOR HOUSING REHABILITATION PROGRAM ASSISTANCE

1. The homeowner submits Housing Rehabilitation Application to the CDBG Program Office;
2. The homeowner is vetted and approved or denied for rehabilitation assistance;
3. If approved, the CDBG Program Office Inspector will inspect the home to ensure economic feasibility for rehabilitation, identify code deficiencies, and prepare a work write-up, and cost estimate of the necessary work to be performed;
4. The CDBG Program Office will then submit a copy of the work write-up and cost estimate to homeowner for approval signatures. The approved work write-up must be returned to the CDBG Program Office.
5. After the homeowner has approved the scope of work, the CDBG Program Office will send the bid package to the approved Cobb County Active Contractors only. Three or more competitive bids with at least one bid falling within 10% of the City CDBG cost estimate, are necessary to avoid a re-bid.
6. After the bid has been accepted and approved, the CDBG Program Office will arrange a pre-construction conference with the homeowner and contractor to review the Scope of Work, discuss timelines and general rules for both, and ensure the homeowner approves the low bidder as the contractor.
7. Loan closing with the homeowner and attorney will be conducted. After the appropriate contract documents are executed, construction may begin. **[Note: For all loan projects, homeowners are allowed a three [3] day rescission period prior to the commencement of the construction.]**
8. Grant only projects will be settled with the CDBG Program Manager.
9. During actual construction and subsequent completion of the project, the CDBG Program will conduct on-site progress inspections and submit to the homeowner payment requests from the contractor for all work completed satisfactorily. The Homeowner and CDBG Program Office will approve all payments made to the contractor.
10. In the event the homeowner is not satisfied with the contractor's work, the homeowner should submit a written complaint to the CDBG Program Manager.
11. If any warranty issues occur after the work has been completed, the homeowner should contact the contractor. The contractor has a **one-year (1) warranty** on the work performed under this contract. **The CDBG office will provide oversight to settle workmanship issues during the one-year warranty period Only.**
12. It is the homeowner's primary responsibility to maintain their home. **The CDBG Rehabilitation Program is not designed for maintenance issues. These items are the responsibility of the homeowner.**