Legislation Details (With Text)

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Title: Increase Maximum Funding Award for Homeowner Rehabilitation Program Funded by the Community Development Block Grant (CDBG) Program and HOME Investment Partnership Program (HOME) Funds (NB)

This item requests for the City Commission to consider approval to increase the existing Homeowner Rehabilitation Program maximum funding awards with the use of the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Program and HOME Investment Partnership Program (HOME) Funds.

Sponsors:

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Date	Ver.	Action By	Action	Result
12/20/2012	1	City Commission	Approved as Recommended	

Increase Maximum Funding Award for Homeowner Rehabilitation Program Funded by the Community Development Block Grant (CDBG) Program and HOME Investment Partnership Program (HOME) Funds (NB)

This item requests for the City Commission to consider approval to increase the existing Homeowner Rehabilitation Program maximum funding awards with the use of the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Program and HOME Investment Partnership Program (HOME) Funds.

This item supports the City Commission Strategic Initiative 2.6: Increase the Amount of Affordable Housing and Low-Cost Housing Throughout the City.

The Homeowner Rehabilitation Program offers a comprehensive assessment of a housing units overall safety and structural soundness for very low and low-income households as defined by HUD. There are three components of the Homeowner Rehabilitation Program:

1) Roof Program - addresses the prevention of further damage to homes, and reduces rehabilitation costs of homes by repairing or replacing deteriorated or leaking roofs. Eligible repairs are limited to the roof of the structure on the home;

2) Minor Rehabilitation Program - addresses the repair of health and safety violations on a home. The program will be applied to homes that are in need of deferred maintenance. The repair priorities include, but are not

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limited to: roof, electrical, heating, plumbing, and handicap accessibility (if applicable); and

3) Major Rehabilitation - will address the repair of serious health and safety violations on a home. The homes eligible for rehabilitation under this program must be considered substandard with health and safety violations that exceed the repair priorities of the Minor Rehabilitation Program. Eligible repair priority includes, but is not limited to: roof, electrical, heating, plumbing, structural, and handicap accessibility (if applicable).

In 1996, the Homeowner Rehabilitation (Owner Occupied) Program maximum funding awards for the CDBG and HOME Programs were established by the City Commission (Legislative File #960522). At that time, the maximum program awards were established at a total of $36,000, plus a 10% contingency allowance for a total maximum of $39,600 excluding project closing costs and insulation/venting costs. This funding maximum included all components of the Homeowner Rehabilitation Program with no distinct maximum funding awards for the Roof Program, Minor Rehabilitation Program or Major Rehabilitation Program.

Additionally, leveraged funds from other sources such as State Housing Initiatives Partnership (SHIP) Program, and other public/private monies were not limited by these funding caps. However, due to the reduction of SHIP Program funding in recent years, there is limited funding available to leverage the CDBG and HOME Program funding for the Homeowner Rehabilitation Program. As such, the additional funding awards are needed for the CDBG and HOME Homeowner Rehabilitation Program to effectively address the overall safety and structural soundness of the housing units assisted through the various rehabilitation programs. Increasing the CDBG and HOME program funding awards for the Homeowner Rehabilitation Program will allow the federal funding sources to be equivalent to the approved program funding awards for the SHIP Homeowner Rehabilitation Programs. Therefore, staff is proposing to increase the Homeowner Rehabilitation Program maximum funding awards for the CDBG and HOME Program funding to match the SHIP Program funding awards as currently established in the City's Local Housing Assistance Plan as follows: 1) Roof Program $15,000; 2) Minor Rehabilitation Program $30,000; and 3) Major Rehabilitation Program $50,000, which also provides a distinct maximum award for each program component for the Homeowner Rehabilitation Program funded by the CDBG and HOME Program. The program funding modification increase will ensure that the City continues to expand the production and preservation of the existing housing stock within the city limits of the City of Gainesville.

Housing and Community Development Division Program funds from CDBG and HOME are available to fund the program award increases. The maximum funding awards for the CDBG and HOME Rental Housing Rehabilitation (Legislative File #960522) and Lead Based Paint Hazards (Legislative File #060570) Programs will remain at the current maximum funding levels as established by the City Commission.

The City Commission: 1) approve the increase of the Community Development Block Grant (CDBG) Program and HOME Investment Partnership Program (HOME) Homeowner Rehabilitation Program to be equivalent to the State Housing Initiatives Partnership (SHIP) Program funding as currently established in the City's Local Housing Assistance Plan as follows: 1) Roof Program $15,000; 2) Minor Rehabilitation Program $30,000; and 3) Major Rehabilitation Program $50,000.

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