

COMMUNITY DEVELOPMENT BLOCK GRANT HOMEOWNER REHABILITATION PROGRAM



Program Summary:

Northwest Michigan Community Action Agency's housing programs administer home repair programs for income-eligible homeowners in Antrim, Benzie, Charlevoix, Grand Traverse, Leelanau, Missaukee and Wexford counties. The Home Repair program is primarily funded by Community Development Block Grant recaptured funds from loans paid back by previous homeowners who have received assistance. This is called CDBG Program Income (PI).

Northwest Community Action Agency is a third-party administrator hired by each county to administer the program on their behalf. Homeowners with an emergency home repair need should contact NMCAA to see if they may be eligible to receive assistance through the program based on rules of eligibility, Program Guidelines and availability of funding to address the repair.

Qualifications include:

- ❖ Be the owner of the house **and** the property (or be purchasing the home with a mortgage or land contract)
- ❖ Gross annual income for entire household under 80% of the Area Median Income
- ❖ Must have occupied the home for a minimum of 1 year
- ❖ Must be current with mortgage payments and property taxes
- ❖ Must have the home insured

NMCAA staff will send out an application if a client appears eligible. The application and supporting documents are reviewed. If the application is accepted, bids are solicited, and a contractor is chosen to perform the work. NMCAA staff prepare a Contract and any loan documents as applicable. They oversee the work being performed to assure that the repair or replacement has been completed correctly and to the satisfaction of the homeowner. NMCAA makes payment directly to the contractor and is then reimbursed by the County.

CDBG PI funds can be used for repairs that are deemed a health and safety concern to the occupant. Typical projects consist of replacing leaking roofs, structural repairs, well or septic system replacements, furnace or water heater replacements, handicap accessibility, electrical or plumbing repairs, to name a few. Homeowners are encouraged to solicit their own bids to expedite the repairs. All contractors must be licensed and insured.

Each county has chosen to loan out the PI funds to income-qualified homeowners at 0% interest and no monthly payment if the cost of the projects is over \$2,500. If it is less than \$2,500, the funds are provided as a grant and are not required to be paid back. Frequently, matching funds are found in order to complete the repair and stretch the dollars further.

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The housing program also partners with the federal Weatherization Program, which is administered by the Weatherization department at NMCAA for the 10 counties of northwest lower Michigan. This program is free for homeowners (and renters, too) with an annual income less than 200% of the poverty level and can pay for insulation, fixing air infiltration problems, HVAC, water heaters, refrigerators, exterior doors and sealing of windows.

Application process:

The client must return, completed:

- ❖ Application
- ❖ Declaration of Section 214 status (citizenship) form
- ❖ Family composition form
- ❖ Income/asset Checklist form
- ❖ Privacy act release form

The client must also send:

- ❖ proof of ownership (e.g.: recorded warranty deed or land contract)
- ❖ most recent income tax forms, if filed
- ❖ proof of paid property taxes
- ❖ proof of homeowner's insurance
- ❖ proof of all income sources such as a copy of social security benefit letter or pay stubs
- ❖ assessor's card from township or city

The client will not be assigned a "project number" until NMCAA receives all completed documents. Projects are then completed on a first-come (first-applied), first-served basis. Once clients are deemed income-eligible after the verifications process, an appointment is made for a home visit and inspection. During the inspection, the staff will ensure that the home has no outstanding maintenance issues that must be addressed and discuss with the client any other concerns about the home's condition.

For further information clients should contact Leslie Casselman at NMCAA by calling (231) 346-2121 or (800) 632-7334 ext. 2121 or lcasselman@nmcaa.net