

**MEDINA COUNTY
COMMUNITY HOUSING IMPROVEMENT PROGRAMS
(FY 2010 CHIP)**

**PROGRAM SUMMARY
COMMUNITY DEVELOPMENT BULLETIN #1**

Thank you for your interest in the Medina County Community Housing Improvement Program (CHIP). The attached information will briefly describe the following programs and the requirements for participation: 1. Home Repair Program, 2. Owner-Occupied Rehabilitation Program, 3. Downpayment Assistance/Rehab Program, and 4. Emergency Monthly Housing Program. Included are the household income guidelines that apply for all of the programs. An application is attached for those interested in submitting an application. Please indicate the assistance you are applying for.

1. HOME REPAIR PROGRAM

The intent of this program is to assist those homeowners that lack the resources to address a housing problem that poses an immediate threat to the health and safety of the occupant. The County will use OHCP Residential Rehabilitation Standards to prioritize work. No general property improvements will be undertaken. The Home Repair Program will only **assist eligible homeowners with repair or replacement of electrical, plumbing, heating or mechanical systems, or elimination of other threats to health and safety. This could also include handicapped accessibility and tap-ins.** This program is available county-wide (excluding the cities of Brunswick, Medina and Wadsworth) for those households that have incomes of less than **50% of the area median income.** Other key features include:

Minimum level of assistance: \$250.00

Maximum level of assistance: \$8,000.00 (\$5,000 if paint will be disturbed)

Approximate No. of Homes to be Assisted: 13

Eligible Properties: Single-family, owner-occupied units

Financing Mechanism: Grant

Applications for Home Repair must be completed and submitted no later than October 15, 2010. Home Repair applications will be evaluated for financial need and health and safety issues. Applications will be awarded based first on health and safety in order of financial need.

2. OWNER-OCCUPIED PRIVATE REHABILITATION PROGRAM

The purpose of the private rehabilitation program is to correct basic building code violations, health and safety issues including lead based paint hazards for qualified homeowners with household incomes at or below 80% of median income in Medina County (excluding the cities of Brunswick, Medina and Wadsworth). **Eligible repairs can include roof, gutters, windows, doors, furnace, electrical, hot water tanks, structural deficiencies and plumbing.** Only single-family, owner occupied

housing units within Medina County (excluding the cities) are eligible. Two private rehab projects will be targeted to 4110022 and 4110023 in the Village of Lodi. The remaining private rehab projects will be county-wide outside of the cities of Brunswick, Medina and Wadsworth. The County's Rehab Inspector will contact you to evaluate your home as part of the application process. Upon final ranking of applications, homeowners in Medina County will be selected for assistance.

The assistance will be in the form of a 5 year 0% interest deferred loan reduced 17% per year with 15% remaining due upon transfer of the property. **No interest. No payments until transfer.** The loan will be secured by a mortgage and promissory note with a declining repayment agreement. The amount of the financial assistance for each house will vary depending on needed improvements. In no instance will the amount of assistance exceed the following limits.

Minimum Assistance: \$1,000.00

Maximum level of assistance: \$30,000.00

Maximum level of assistance with lead based paint hazards present: \$35,000.00

Approximate Number of Homes to be Assisted: 6

Finance Mechanism: 5 year 0% interest deferred partially forgivable loan (85% forgiven over five years)

A walk-away policy has been established by the County. Should your home be considered a walk-away, you will be notified.

Work on all homes must be competitively bid. The County expects work on the selected homes to begin in the spring of 2011.

3. DOWNPAYMENT ASSISTANCE/REHAB PROGRAM (DPA)

Key features include:

Minimum Downpayment Assistance: \$1,000.00

Maximum Downpayment Assistance: 10% of the purchase price

Minimum Rehabilitation Assistance: \$1,000.00

Maximum Rehabilitation Assistance: \$29,000.00

Approximate No. of Households to be Assisted: 2

Maximum assistance inclusive of Downpayment and Rehabilitation Work: \$30,000.00 no lead hazards, \$35,000 with lead hazard reduction

Eligible properties: 1 Single-family home in Medina County (excluding Brunswick, Medina and Wadsworth)

1 Single-family home targeted to Village of Lodi (Block Groups 4110022 & 4110023)

Income Eligibility: 80% area median income

Finance Mechanism: 0% interest Deferred Partially Forgivable Loan (85% forgiven over time)

The intent of the DPA Program is to provide gap financing for downpayment assistance to potential homeowners lacking sufficient funds. The program operates on a first-come, first-serve basis. The CHIP DownPayment Assistance/Rehab Program can provide 10% of the purchase price per home. Homebuyers selected for assistance will be required to attend a series of Homebuyer counseling sessions paid for by the program. All homes will be inspected prior to closing.

All homes must meet local building codes and the State of Ohio Residential Rehabilitation Standards within six months of occupancy. To address these requirements, a rehabilitation element is included which allows up to \$29,000, if no lead hazards are present and \$34,000, if lead hazards are present, to address code violations. The combination of downpayment assistance and rehabilitation assistance may not exceed \$35,000 when lead hazards are present, \$30,000 without.

When the total assistance falls below \$15,000 both the Downpayment Assistance and the Rehabilitation Assistance will be provided in the form of a 5 year deferred loan, partially forgivable, i.e. for every year of occupancy the loan balance will be reduced by 17%. At the end of the 5th year 15% will remain due upon transfer of the property.

When the total assistance is \$15,000 or more, the down payment assistance will be in the form of a 10 year deferred, partially forgivable loan, reduced by 8.5% for each year of occupancy until the end of the 10th year when 15% will remain due upon transfer of the property.

No interest. No payments until transfer. Two mortgages (1 for the down payment and 1 for the rehabilitation component) will be necessary. This loan will be in the form of a mortgage and promissory note with a declining payment agreement.

A walk-away policy has been established by the County. Should the home you are purchasing be considered a walk-away (not able to be brought up to code within the funding available), you will be notified.

Work on all homes must be competitively bid.

4. EMERGENCY MONTHLY HOUSING PROGRAM

The purpose of this activity is to prevent residents from experiencing a crisis and/or becoming homeless. The activity is designed to assist low-income (80% of area median income) homeowners in Medina County outside of the cities of Brunswick, Medina and Wadsworth. Through this activity the County may provide limited financial assistance on behalf of eligible households, in the form of a grant over a period of up to three (3) consecutive months to providers of such items or services as mortgage payments and utility payments. Applicants must attend Credit Counseling prior to receiving assistance.

Maximum Emergency Monthly Housing Assistance:	3 consecutive months not to exceed \$3,000
Approximate No. of Households to be Assisted:	10
Eligible properties:	1 Single-family home in Medina County (excluding Brunswick, Medina and Wadsworth)

1 Single-family home targeted to Village of Lodi (Block Groups 4110022 & 4110023)

Income Eligibility: 80% area median income

Finance Mechanism: 0% interest Deferred Partially Forgivable Loan (85% forgiven over time)

**Household Income Limits by Family Size
FOR ALL APPLICANTS**

Family Size (Persons)	Low Income (50% of MI)	Low Income (80% of MI)
1	\$22,700	\$36,300
2	\$25,950	\$41,500
3	\$29,200	\$46,700
4	\$32,400	\$51,850
5	\$35,000	\$56,000
6	\$37,600	\$60,150
7	\$40,200	\$64,300
8	\$42,800	\$68,450

Source: HUD FY 2010

Home Repair applications due – 4:00 p.m. October 15, 2010

Owner-Occupied Private Rehabilitation applications due – 4:00 p.m. December 15, 2010

Applications must be completed in full with all requested documentation and returned to Scott Miller, Finance Director, Medina County, 144 North Broadway, Ste. 205, Medina, Ohio 44256 to be considered for the program. The order of receipt of applications will be considered as a final factor when all other factors are equal.

The Downpayment Assistance/Rehab Program and Emergency Monthly Housing Assistance Applications must be completed in full with all requested documentation and will be considered on a first come first serve basis.

Questions regarding the program should be directed to the attention of Mrs. Phyllis A. Dunlap, CT Consultants at (440) 530-2230.