

**LYNCHBURG REDEVELOPMENT AND HOUSING AUTHORITY
RENTAL REHABILITATION GRANT PROGRAM
TERMS AND CONDITIONS
2018**

The Lynchburg Redevelopment and Housing Authority (the “Authority”) is conducting a Rental Rehabilitation Grant Program to assist with the rehabilitation of substandard rental property within certain parts of the City of Lynchburg. Financial assistance will be available to eligible owners of residential rental property within the program boundary areas to encourage them to make improvements to their rental property.

Area of Operation

Participation in the program is limited to properties located within the program boundary areas, inside the City of Lynchburg, as shown in the attached map.

Definitions

“Partial Remodel” means rehabilitation of one or two rooms within a qualifying rental property.

“Total Remodel” means rehabilitation of more than two rooms within a qualifying rental property.

“Affordability Period” means one year with respect to Partial Remodels and three years with respect to Total Remodels.

Financial Assistance

Owners of selected residential properties may be eligible to receive a grant from the Authority to assist with rehabilitation in an amount not to exceed the lesser of 50% of the cost of rehabilitation or a maximum of (i) Five Thousand Dollars (\$5,000) per dwelling unit in the case of Partial Remodels, or (ii) Ten Thousand Dollars (\$10,000) per dwelling unit in the case of Total Remodels. Costs incurred for labor provided by the owner or any entity owned or controlled by the owner are not eligible for reimbursement. When a completed application is received and approved, the Authority will send a grant commitment letter to the owner. The Authority shall only reimburse owners after all work is satisfactorily completed and all costs have been verified by paid invoices and cancelled checks. Invoices must be signed by the contractor, dated and marked paid. No other type of payment will be accepted or reimbursed. **Contracts accepted by owner and costs incurred prior to the date of the Authority’s grant commitment letter will not be reimbursed.**

Project Selection

Proposals will be considered on a first-come basis and will be evaluated by Authority staff and presented to the Authority’s Board of Commissioners for approval. **Special consideration will be given to grant requests which include upgrading and installing accessibility measures such as ramps, grab bars, widening doorways, retrofitting showers, kitchen accessibility, etc.** Other items eligible and that may be considered include energy upgrades. These include items such as replacement of a gas or oil furnace with an energy efficient heat pump, replacement of existing windows with energy efficient insulated windows and installation of insulation and vinyl siding. Properties within the program boundary area that have code violations or deficiencies cited on the Department of Housing and Urban Development’s (HUD) Housing Quality Standards (HQS) Inspection Form will be considered for the program.

Application Requirements

Applicants must furnish the following information to the Authority in order for their proposal to be considered. Any missing information will result in the application being returned to the applicant.

1. Written documentation from the City of Lynchburg (the “City”), Planning Division that a Determination of Effect (“DOE”) review has been completed by the City in accordance with Section 106 of the National Historic Preservation Act of 1966. Submit the DOE form to the Lynchburg City Planning Division (point of contact is Kevin Henry, as of July 2017). If the structure is within a historic district, a Certification of Appropriateness (“COA”) must also be submitted to the Lynchburg City Planning Division.
2. The project cannot start until the City receives acknowledgement from the Department of Historical Resources (“DHR”) that it concurs with the City’s determination, and all other local permitting has been approved. Make copy and submit all documents to LRHA.
3. Submit completed application form.
4. Submit completed & signed Rental Rehabilitation Grant Authorization and Acknowledgement forms.
5. Submit copy of these signed Terms and Conditions.
6. Submit copy of a recorded deed of the subject property.
7. Submit copy of current hazard insurance for subject property.
8. Submit a detailed description of proposed scope of work including floor plan, projected start date and completion date (all code violations and Housing Quality Standards deficiencies must be included in the scope of work).
9. Submit detailed cost estimate.
10. Submit when using a contractor, copy of contractor’s license and current certificate of insurance.
11. Submit details on current occupancy (including current units occupied and number vacant).
12. Submit signed W-9 form, Request for Taxpayer Identification Number and Certification.
13. Submit signed acknowledgment form for booklet, “Renovate Right Important Lead Hazard Information for Families, Child Care Providers and Schools.”

General Requirements

1. Work is to commence on the property and a building permit issued if applicable, within 30 calendar days of the date of the commitment letter.
2. All work is to be satisfactorily completed, based on an inspection by the Authority’s personnel and/or the City’s building inspections staff, when necessary, on or before the completion date (90 days from date of the commitment letter for partial remodels (one or two rooms) and 180 days thereafter for total remodels). If completion does not occur within such 90 and 180 day periods, the owner must submit a written request for an extension to the Authority.
3. All paid invoices, copies of checks (front and back) must be turned in to the Authority no later than 30 days from completion of project.
4. All work must comply with all applicable building codes, ordinances, and HUD’s Housing Quality Standards. Occupancy and use of the property must comply with applicable zoning ordinances.
5. Funding for this grant commitment is received from the U. S. Department of Housing and Urban Development (“HUD”) through the Community Development Block Grant (“CDBG”). According to CDBG regulations, **owner shall rent this property to a person or family who meets the qualifications of “low income” as set forth by the annual HUD Income Limits. The eligible occupant(s) must reside in the housing unit(s) for the applicable Affordability Period. The**

owner shall provide a copy of the signed lease agreement to the Authority. Rental of this property to an eligible “low income” person or family must occur within 90 days of the completion of the rehabilitation. If rental of the property does not occur within such 90 day period, a written request to the Authority will be considered for an extension of an additional 90 days. If not rented to an eligible “low income” person or family within 90 days or, if an extension is granted, within 180 days, the owner shall repay the grant funds to the Authority within 10 calendar days of the expiration of the 90 day or 180 day requirement, as applicable. If the owner fails to repay the grant funds when due and the Authority must pursue litigation to recover such sums, the owner agrees to pay the Authority’s costs associated with recovering such sums from the owner, including reasonable attorneys’ fees and court costs. The owner shall not be eligible to occupy the housing unit(s) during this time.

6. Owners shall allow the Authority and City staff to access the property to perform (i) an initial on-site inspection to determine the need for rehabilitation, (ii) inspections while work is underway, and (iii) a final inspection. Owner must obtain a passing final inspection report from the City Inspector at the completion of owner’s work.
7. All required or applicable permits shall be obtained by the owner or owner’s contractor, at the expense of the owner or owner’s contractor. In addition, Authority staff will provide applicants with a copy of HUD’s Housing Quality Standards as part of the application packet, which will be used by the Authority to perform the initial inspection and a final inspection.
8. In accordance with HUD’s Lead-Based Paint Regulations (24 CFR Part 35, Subpart J), the owner shall comply with all applicable lead-based paint regulations for the rehabilitation. The owner shall provide tenants who occupy each property receiving rehabilitation a HUD “Protect Your Family From Lead In Your Home” pamphlet in regard to lead safety in the housing unit. A lead-based paint clearance test for areas where repairs exceed the amount set forth by HUD, must be submitted by the owner prior to disbursement of funds.
9. Owner must be and remain current on all real estate taxes with City at the time of this application and during the Affordability Period.

Conflict of Interest

No commissioner, officer or employee of the Authority or the City, or any member of his or her immediate family who exercises any function or responsibilities with respect to the Rental Rehabilitation Program, during his/her tenure or for one (1) year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for any work to be performed in connection with this program.

Non-Discrimination

Owners must meet all Fair Housing requirements and shall not discriminate against any prospective tenant on the basis of race, color, religion, familial status, sex or national origin, their receipt of, or eligibility for, housing assistance under any federal, state or local housing program. In addition, with the exception of housing projects specifically intended and qualified for elderly persons, owners shall not discriminate on the basis that tenants have a minor child or children who will be residing with them.

Owner shall not discriminate, and shall require its contractors not to discriminate, on the basis of race, color, religion, sex or national origin against any employee who is employed to perform the rehabilitation work or against any applicant for such employment of a property receiving grant funds.

Non-Conversion

Owner shall not live in a rehabilitated unit during the Affordability Period. The unit must be maintained as rental property during this same period.

Non-Compliance

Any non-compliance or violation of these Terms and Conditions shall be grounds for the demand of the return of grant funds.

I (we) the undersigned acknowledge and agree to the terms and conditions as set forth above.

X _____
Owner's Signature

Date

Printed Name

X _____
Owner's Signature

Date

Printed Name

Revised 01/2018