

Should the owner disagree with the offer, they may present materials to the City which they believe are relevant in determining the value of the property and suggest modifications in the proposed terms. After review of said documents, if the City of Perry and Grant Specialists of Georgia, Inc., believe that the owners offer is warranted, Grant Specialists of Georgia, Inc. will reestablish "Just Compensation" and offer that amount to the owner in writing.

Waiver Of Just Compensation/Appraisal: If the owner waives their rights to appraisal and/or "Just Compensation" a WAIVER OF JUST COMPENSATION AND/OR APPRAISAL will be signed by the owner and retained for the purpose of removal of said purchase.

A Bill of Sale and Easement will be provided to the owner that shows the transfer of ownership to the City, and the right of easement for the purpose of removal of said purchase.

Closing Statement Of Sale: A statement will be issued to the seller from the City showing the net purchase to seller and the total disbursements of the sale. Grant Specialists of Georgia, Inc. will schedule a closing meeting to hold same. A statement of settlement costs and a bill of sale will be furnished by Grant Specialists of Georgia, Inc. and all closing documents will be retained in the individual case file.

Power Of Eminent Domain: If the power of eminent domain is exercised by the City, formal condemnation procedures will be instituted. An amount not less than the City's determination of "Just Compensation" for the property will be deposited with the court. The time of condemnation will not be advanced or negotiations deferred to compel an agreement on price.

Appeals Policies and Procedures: A written appeals policy and procedure statement will be provided to the recipient when they receive the preliminary acquisition notice.

Individual Case File: If an owner owns more than one property in the project area, a separate case file will be kept on each property purchased.

Application for Housing Assistance

Determination of the Priority Process:

Applications will be accepted on a first come first serve basis. Applicants submitting incomplete applications will be notified of the discrepancies and applications will be returned to the bottom of the application list.

If more applications are submitted than can be processed in one bid-opening, elderly, handicapped, and lower income will take priority.

All applicants for housing assistance will be provided a copy of the approved Appeals Policies and Procedures at the time of application. All applicants will have their rights explained to them at that time.

HOUSING REHABILITATION PROCEDURES

The City of Perry has contracted with Grant Specialists of Georgia, Inc. . administer and give technical assistance in this CDBG program to ensure that all housing rehabilitation will comply with the following procedures.

1. Application for Housing Assistance

A. Determine of Priority Process:

Application will be accepted on a "first come first serve" basis. Applicants submitting incomplete applications will be notified of the discrepancies and applications will be returned to the applicant for completion.

If a completed application is not returned within the established time frame, it will be returned to the bottom of the application list.

If more applications are submitted than can be handled in one bid-opening, handicapped and elderly will take priority.

B. Appeals Policies and Procedures

All applicants for housing assistance will be provided a copy of the approved Appeals Policies and Procedures at the time of application. All applicants will have their rights explained to them at this time.

2. Applicant Eligibility Requirements

A. Low and Moderate Income Requirements:

(i). Proof of Income - This will be verified through: a) the previous years tax returns; b) employment pay stubs and copy of check; c) verification of employment from employer or verification of income through AFDC/SSI/Social Security/VA or personal retirement plan.

(ii). Verification of Deposit - All bank accounts will be verified through the bank.

B. Property ownership - A copy of the Warranty Deed submitted by the applicant and title search through an attorney.

C. Proof of Property Insurance - Each owner receiving housing rehabilitation assistance will be required to provide proof of fire insurance prior to the initiation of construction. If insurance cannot be provided due to the condition of the unit, insurance must be provided after completion of the unit.

D. Paid Property Taxes - Applicants must submit a copy of paid property taxes that shows taxes are paid up-to-date.

E. Reside In Specific Targeted Area - Housing rehabilitation assistance will be provided to only those families who reside within the specific targeted area.

F. Proof that all city utilities are paid and current, ie: water, sewer, trash, etc.

G. Lead Based Paint Notice - The owner will be required to sign a copy of the HUD "Lead Based Paint Warning Notice" that certifies that they have received a copy of this notice and are aware of lead based paint.

3. Initial Inspection

A. Feasibility Test - An economical and structural test will be performed on the housing unit to determine if it is cost feasible for rehabilitation, reconstruction or if it would be more feasible to acquire the dwelling and provide either on-site new construction or other type of assistance to ensure that all residents of the target area live in standard housing.

4. Reconstruction

In reconstruction cases, temporary relocation assistance will be provided as follows:

A. Assistance will be provided in finding a suitable temporary replacement unit. The monthly rent of the temporary dwelling will be provided by CDBG funds if available.

B. If the owner has family member that they can temporarily live with during the rehabilitation process, compensation for temporary relocation will be as follows: The person providing housing will be given \$100 a month per person that is housed from the household receiving assistance. Only persons listed on the application as living in the household will apply.

C. Persons receiving temporary relocation assistance will be provided moving and related expenses. Specifically they will be provided for all out-of-pocket expenses incurred in connection with temporary displacement.

5. Preparing the Work Write-Up and Cost Estimate

If housing units are feasible for rehabilitation, a work write-up is prepared, indicating corrections of code violations by line item to ensure that minimum state codes are met. A cost estimate is then calculated from the work write-up by utilizing the Rehab Advisor's "Low Cost Index".

When the determination has been made to proceed, the Rehab Advisor will contact the owner to finalize and disclose each item of the work write-up.

6. Financing

Financial assistance will be provided for substantial rehabilitation via deferred payment loans, also known as owner-occupied repayment agreements. Home owners will be required to enter into these agreements with the City of Perry. These deferred payment loans will be recorded at the Houston County Courthouse. Repayment agreements will be entered into as follows:

- * Based on family size, families with gross annual incomes that fall below the poverty level will be required to provide a one time payment of \$500 toward the cost of rehabilitation. 2 families fall into this category.
- * Based on family size, families with gross annual incomes that exceed the poverty level but fall below 50% limits (very low) will be required to provide a one time payment of 7% of their total gross yearly household income toward the cost of the rehabilitation. 3 families fall into this category at this time.
- * Based on family size, families with gross annual incomes that exceed 50% limits but fall below the low income limit will be required to provide a one time payment of 10% of their total gross yearly household income toward the cost of the rehabilitation. 1 family falls into this category at time.
- * The owner of the duplex rental units will pay the required 50% of the construction cost.

7. Invitation to Bid

Bid packets (work write-ups without cost figures) are prepared by the Rehab Advisor and delivered to the City for dispersing to contractors. At the same time, the Rehab Advisor will send letters to qualified contractors informing them of where and when they may obtain a bid packet, and instructions for submitting bids. Bids are to be returned to the City of Perry offices in a sealed envelope with the name of the property owner job(s), the date of the bid opening, and the name of the contractor on the front of the envelope.

8. The Bid Opening

At the bid opening, the precise time will be synchronized with the contractors present. The Rehab Advisor will be present to answer questions concerning the work write-up.

The Project Administrator will preside over the bid opening. Each bid will be opened separately and read aloud. Minutes of the bid opening and a tabulation of all bids received will be recorded for documentation. The purpose of the bid process is to determine lowest bid. The homeowner has the right to reject any and all bids submitted. With homeowners concurrence and acceptance of the low bid, the successful contractor will be mailed a bid acceptance letter.

Upon award of the contract, the Project Administrator will notify unsuccessful Contractors that they were not awarded the contract.

9. Determination of "Reasonableness" of Low Bid:

After all bids have been opened and recorded, the Rehab Advisor will perform a "bid analysis" to determine if the bid falls within 10% above or below the Rehab Advisors cost estimate. This process will ensure that the "low" bid is of an adequate amount to perform the work that is prescribed in the work write-up.

a. Preconstruction Conference: The Program Administrator will schedule a meeting between the homeowner and the contractor to discuss the details of the contract and the construction of the unit to be rehabilitated. All aspects of the contract and each phase of construction will be reviewed at this time.

b. Contract Required: Rehabilitation financed through this program shall be undertaken only through a written contract document between the contractor and the homeowner. The contract shall be signed by the homeowner and the contractor following approval of the grant/loan. The contract shall be initiated by a written "commencement notice" to be issued by the Rehab Advisor and no work shall commence until such notice is given. The contract shall contain a bid and proposal from the contractor, a work write-up, the Standard Specifications for Residential Rehabilitation, the Terms and Conditions for Rehabilitation Assistance, and a Contractors Warranty.

Upon the award of a construction contract for rehabilitation, the contractor shall execute three (3) original contract documents. They shall be distributed as follows:

1. One original to owner
2. One original to the contractor
3. One original to be kept in the owners case file.

c. Disputes Between the Property Owner and the Contractor:

In the event a dispute occurs with respect to the rehabilitation work, the Project Administrator shall take appropriate action in accordance with the provisions of the rehabilitation contract. No legal action shall be instituted by the Project Administrator on behalf of either party in connection with the rehabilitation contract.

Such appropriate action shall include arbitration to assure the protection of both the property owner and the contractor. An Arbitrator shall be appointed by the City.

10. Inspection:

The contractor shall be required to promptly secure all necessary inspections and approvals required and permit reasonable inspection of all work by authorized inspectors.

It is the Rehab Advisor's responsibility to be present at the job site when the contractor begins work and throughout the rehabilitation process while work is ongoing. Periodic inspection reports will be made by the Rehab Advisor to show general progress of work along with any changes or deficiencies which may have occurred during the rehabilitation process.

11. Progress Payments:

A progress payment will be made available to the contractor after eighty percent (80%) of the scheduled work has been completed. During unusual cases, such as hardship, a contractor may request a progress payment, however, a minimum of fifty percent (50%) of the work scheduled must be completed. The determination of a progress payment before the 80% completion point will be that of the Rehab Advisor with the Homeowners concurrence. No more than Four payments will be made to the contractor.

12. Change Orders

Complexities involved during the initial inspection of a housing unit often times make it impossible to detect every hidden code violation. Rehab Advisor's will rarely certify that the housing unit in question will be brought up to minimum state codes when the initial work written has been completed. The alternative is to prepare a changeorder to be attached to the rehabilitation contract. This change order will describe the work necessary to reach MSC on the housing unit. The procedure for obtaining a reasonable amount to do the additional work is basically the same principle in securing a negotiated bid.

The rehab advisor shall prepare an itemized list of work to be performed or deleted. Justification for added or deleted items will be described in detail. The contractor will then price each item as requested on the change order and return it to the rehab advisor. The rehab advisor will then determine if the figures are justified by comparison to his Local Cost Index. Lastly, the rehab advisor will discuss the changes with the homeowner for final approval. With the homeowners concurrence, the change order is prepared and executed.

13. Executing Close-Out

Final inspection will be made by the rehab advisor and/or the project administrator only when it has been requested by the contractor and conducted on the assumption that all work has been completed. Reference to the work write-up along with any change orders will be used by the rehab advisor as a check-list for compliance to insure that all work has been completed. Any work items that do not meet specifications for residential rehabilitation will be listed and given to the contractor. After all items on the list have been corrected, the contractor may agree to request a final inspection.

14. Individual Case File

Separate files will be made for each individual project, and if an owner owns more than one parcel of property in the project area, a separate file will be kept on each parcel of property.

RECONSTRUCTION PROCEDURES

The reconstruction procedures shall follow the same guidelines as the rehabilitation procedures with the following exceptions. All new construction will meet the CABO 1-2 Family Residential and Model Energy Codes.

City of Perry
Policies & Procedures
2016 Community Development Block Grant
Rehabilitation & Reconstruction Activities

October 2016

Whereas, the City of Perry has been awarded a Community Development Block Grant from the Georgia Department of Community Affairs.

And

The Community Development Block Grant is for the purpose of assisting low and moderate income persons with their housing needs. Policies and procedures have been prepared by the Grant Administrator for the City of Perry and the City of Perry hereby approves the Policies and Procedures for the purpose of administering the 2016 City of Perry Community Development Block Grant Program.

Signed this _____ day of _____, 20_____

James Faircloth, Jr., Mayor

Attest: _____
City Clerk