

## MARLBOROUGH HOUSING REHABILITATION PROGRAM SUMMARY

The City of Marlborough has received a grant from the Commonwealth of Massachusetts Department of Housing and Community Development (DHCD). Grant funds will provide financial and technical assistance to eligible residential property owners in Marlborough in order to make needed repairs and accessibility improvements.

The Marlborough Community Development Authority is responsible for administering the Marlborough Housing Rehabilitation Program (MHRP). The purpose of the program is to correct code violations and substandard living conditions, including abatement of the health hazards of lead paint and asbestos. The program will address both existing and incipient code violations.

### Who is Eligible?

Income-eligible owner-occupants of one- to four-unit residential properties located in Marlborough are eligible to apply. A majority of residential units in a property must be occupied by income-eligible households. ***Emergency Repair Needs (failing heating or septic system, badly leaking roof, need for accessibility modifications etc.) will be given priority for assistance.***

### How to Apply:

1. Property owners submit a Marlborough Housing Rehabilitation Program (MHRP) Application to the Marlborough Community Development Authority, Housing Rehabilitation Program, 250 Main Street, Marlborough, MA 01752. Applications will be added to the existing waiting list in the order in which they are received, except that verified emergency repair needs will be given priority. The property owner must identify any issues they believe to be emergency repair needs.
2. When an application reaches the top of the waiting list, or an inspection reveals emergency conditions, the applicant will be asked to submit income and ownership documentation for verification.

### Verification of Eligibility:

MHRP staff will review documentation submitted to determine whether the owner and the property are eligible to participate in the program. To be eligible:

1. The property must be owner-occupied and a majority of units in the property must be occupied by households which are income-eligible (see chart on next page for income guidelines).
2. Any existing mortgages on the property must be current and in good standing.
3. The property may not have any federal, state or municipal tax liens. The property owner must be current on municipal taxes and fees (real estate taxes, water and trash fees, etc.) or must have or enter into an acceptable agreement with the City to pay any arrears.

Once the property and the owner have been determined to be eligible, MHRP staff will send a letter to the property owner informing them of their eligibility and request that the homeowner sign and return the letter confirming the income calculated by the staff and indicating that the property owner wishes to participate in the program (alternately, the property owner can indicate that he/she/they no longer wish to participate).

### Amount and Type of Assistance Available:

Assistance is provided in the form of a Deferred Payment Loan (DPL) that is forgivable over a 15-year term. There is never any interest, and no payments are required unless the property is sold, refinanced or beneficial interest in the property transferred in a manner that is not approved by the City. The full amount of the DPL will be due for the first 6 years. Beginning on the 6<sup>th</sup> anniversary of the completion of the project, and each subsequent year thereafter on the anniversary date, 10% of the loan is forgiven until the loan is completely forgiven after 15 years. The DPL will be secured by a mortgage recorded at the Middlesex South Registry of Deeds.

## Procedure for Completing Project Rehabilitation:

1. Once the homeowner countersigns the eligibility letter, the Housing Rehabilitation Specialist (HRS) will inspect the property with the property owner in order to determine the necessary repairs.
  - Code violations, emergency situations, and structural issues must be dealt with first.
  - Due to federal and state regulations, certain lead paint hazard reduction work may be required.
2. Work Specifications will be prepared by the HRS for review and approval of the property owner. The project is then put out to bid by the MHRP to pre-qualified contractors.
3. Registered contractors tour the property, review work specifications and submit bids. The lowest responsible bidder is awarded the contract (an owner may select an alternate bidder by paying the difference in cost between the lowest bid and that of the chosen contractor).
4. Assistance is limited to \$35,000 per unit (\$40,000 if the project includes lead or asbestos abatement, accessibility modifications, historic preservation or sewer/septic repairs). If the project cost is greater than the per-unit cap, both a local and a state (Department of Housing and Community Development) waiver are required. If the property more than 50 years old, approval of the proposed work may be required from the State Historic Preservation Office (SHPO).
5. Upon acceptance of the bid, the Owner, Contractor, and the City sign project contract documents, including an Assistance Agreement between the Owner and the City, A Mortgage (to be recorded at the Middlesex South Registry of Deeds), and Construction Contract between the Owner and Contractor. Owners of rental units will also sign a 15-year rental agreement.
6. Some residents may need to be temporarily relocated while contractors conduct hazardous work (lead paint or asbestos abatement).
7. The Housing Rehabilitation Specialist will regularly inspect progress of the project throughout construction.
8. Both the Rehabilitation Specialist and the Owner will sign off on the completed project confirming satisfaction with work done by the Contractors on the project.
9. The Contractor will provide a one-year warranty on the work completed to the Owner, in addition to any manufacturer warranties for materials used or equipment installed.
10. Property owners of multi-family homes are subject to periodic rent monitoring.

## MARLBOROUGH HOUSING REHABILITATION PROGRAM INCOME LIMITS

	Household Size							
	1	2	3	4	5	6	7	8
Max Income	\$62,450	\$71,400	\$80,300	\$89,200	\$96,350	\$103,500	\$110,650	\$117,750

(Income limits effective as of June 28, 2019 and are modified annually)

If you have additional questions about the program, please call the Housing Rehabilitation Program Staff at 508-624-6908 ext. 40110. Office Hours are Mondays and Thursdays from 9:30 a.m. to 4:30 p.m.