



# Homeacres Neighborhood Owner-Occupied Housing Rehabilitation Program Guidelines

*Adopted February 6, 2024*



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# 1.0 Introduction

The County of Solano actively supports efforts to maintain housing stock affordable to lower-income residents. The Homeacres Neighborhood is a semi-rural enclave of approximately 650 dwellings located in unincorporated Solano County, just east of the central portion of the City of Vallejo (Appendix A – Homeacres Neighborhood Map). It is bisected by Interstate 780, separating the community into North and South Homeacres, with approximately an equal number of dwellings in each area. A Homeacres community survey was conducted in 2022 and based on community response to this and other outreach efforts, the County of Solano approved the use of Homeacres Loan Program (HLP) funds to address housing rehabilitation and neighborhood safety needs for as many homeowners as is feasible.

The Homeacres Owner-Occupied Housing Rehabilitation Program (hereafter referred to as “**Program**”) will provide loans and grants for home rehabilitation projects to address code violations, correct health and safety hazards, remove barriers to accessibility for persons with mobility disabilities, extend the useful life of owner-occupied homes and promote energy efficiency for low- and moderate-income households. The program encourages cost-effective repairs for eligible homeowner housing units located in the Homeacres neighborhood.

Solano County (hereafter referred to as “**Lender**” or “**County**”) establishes these guidelines for Program administration. The guidelines are based on the primary funding source, the HLP.

## 1.1 Fair Housing

The County of Solano is committed to operating housing programs that are free from discrimination. The Program will be implemented consistent with the County’s commitment to affirmatively furthering fair housing in the County of Solano. No person shall be excluded from participation in, denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part with HLP funds on the basis of religion, , age, race, color, ancestry, national origin, citizenship, immigration status, primary language, gender (including gender identity, gender expression, and sexual orientation), genetic information, marital or familial status , physical or mental disability, medical condition, source of income, military or veteran status, or other arbitrary cause.

## 1.2 Community Outreach

When loan funds are available, Program Staff shall conduct outreach to advertise and promote the Program so that all Homeacres Neighborhood homeowners in need of rehabilitation assistance are aware of the Program. Efforts will be made to prioritize outreach to households that are disproportionately underrepresented in housing rehabilitation assistance programs such as people who are elderly, are single-parents,

have a disability, and people of color. Multiple methods of communication will be used in an effort to reach as many Homeacres homeowners as possible, including special needs households including the elderly, persons with disabilities, people of color and persons with limited English proficiency.

Community outreach efforts will include, at a minimum:

- Publish media announcements;
- Develop an interactive webpage to be hosted on the County's website at <https://www.solanocounty.com>;
- Provide information and flyers to Solano County Department of Health and Social Services and the Napa/Solano Area Agency on Aging;
- Provide a Program informational workshop(s) in the Homeacres Neighborhood; and/or
- Provide Program information to local community groups.

### 1.3 Conflict of Interest

No member of the governing body of Solano County and no other official, employee, or agent of the Solano County government who exercises policy, decision-making functions, or responsibilities in connection with the planning and implementation of the program shall directly or indirectly be eligible for this program, unless the application for assistance has been reviewed and approved according to applicable funding source guidelines. This ineligibility shall continue for one year after an individual's relationship with Solano County ends.

### 1.4 Terms

The following terms and abbreviations are used in this document.

**Applicant** means a Homeacres homeowner that has submitted a completed application with all required documentation.

**Borrower** means a household that has received a Program loan.

**Contractor(s)** means the construction contractor(s) selected by the homeowner to perform the work.

**Eligible Property** means a home that meets all Program requirements.

**Emergency Repair Applicant List** means a list of Applicants that have requested an emergency repair grant and have submitted a full application packet.

**Homeacres Loan Program (“HLP”)** means County funding allocated to serving the Homeacres Neighborhood

**HUD** means the U.S. Department of Housing and Urban Development

**Interest List** means a list of people who have contacted and expressed interest in the Program.

**Lender** means Solano County

**Loan Committee** means the Housing Rehabilitation Program Loan Committee

**Loan Program Applicant List** means a list of Applicants that have submitted a complete application and all documentation and are in the loan eligibility process.

**NEPA** National Environmental Policy Act

**Program** means the Homeacres Neighborhood Owner-Occupied Housing Rehabilitation Program

**Program Staff** means Solano County staff or its contracted program administrator staff.

## 2.0 Applicant Eligibility Determination

Loan Program Applications shall be processed in the order they are received with the exception of imminent health and safety concern noted below. On the Emergency Repair Applicant list, Seniors age 65 and older will be given priority and all other applications shall be processed in the order they are received.

Throughout the application and eligibility determination process, homeowners expressing interest in the Program shall provide information needed for the income and property verification process and what improvements are needed in a timely manner. If information is not forthcoming within two (2) weeks of notification, the homeowner shall be informed that their position on the Applicant list may be affected and will be provided technical assistance with completion of required documents if needed.

Homeowners shall be placed on the Loan Program Applicant List or Emergency Repair Grant Applicant list at the time they submit a completed application and all required documentation. Applicants will be notified as soon as possible of eligibility status, but not later than 10 business days of receipt of all documentation.

### 2.1 Imminent Emergency Health and Safety Concerns

Projects will be funded based on the order in which the applications are received and deemed eligible. Program staff may prioritize an application if there is a documented imminent emergency health and/or safety concern affecting the homeowner household or the immediate neighborhood.

## 2.2 Program Loan Income Determination

Income eligibility is based on the homeowner household's gross annual income and must be at or below the HUD limit for 120 % of the Area Median Income (AMI) for the Fairfield-Vallejo Metropolitan Statistical Area (MSA). Current income limits can be found at Appendix B – HUD Income Limits. Income limits are updated annually.

After receiving a completed application, Program Staff will determine the funding source for which the Applicant is best qualified.

For loans funded with HLP funding, the following income verifications will be acceptable:

- Most recent tax return;
- 6 weeks of pay stubs; and
- Most recent statement from source of income (such as social security, disability payments, retirement pay)

All persons in the residence are considered household members for the purpose of income eligibility. Household income includes the combined income of all household members, related or unrelated, age 18 and older.

## 2.3 Emergency Repair Grant Income Eligibility

Emergency repair grants will be limited to low-income homeowner households at or below 80% AMI as noted in Appendix B.

## 2.4 Residency Requirements

Applicants must be the current owner of the property and must occupy the residence. Proof of occupancy will be required. Acceptable documentation includes:

- Current utility bill in the name of the homeowner;
- Homeowner's state issued identification (driver's license or ID card) showing the address of the property as residence;
- Statement of the unit's current and continued use as a residence; and,
- Personal declaration that either one or all titleholders reside on the premises.

## 2.5 Other Emergency Repair Grant Requirements

All persons on title to the home must sign the grant application indicating knowledge and approval of the application for grant funds, and must sign the Grant Agreement.

There is not a maximum loan-to-value limit and no loan security is required. For most Emergency Repair Grant Applicants, a credit report is not required. However, if the Loan-to-Value of the home exceeds 100%, a credit report will be required to determine whether the home is at risk of foreclosure.

## 3.0 Property Eligibility

Eligible properties will be owner-occupied, single-family residential (as defined in 3.3) properties located in the unincorporated section of Solano County known as the Homeacres Neighborhood (Appendix A – Homeacres Neighborhood Map). Lender will be solely responsible for determining whether the property is located within the eligible area.

### 3.1 Property Taxes

Property taxes must be paid with no outstanding balance to be eligible for a rehabilitation loan.

### 3.2 Evidence of Ownership

Applicant must own the property and maintain the home as their primary residence. Ownership means any of the following interests in residential real property:

- Fee simple interest;
- Joint tenancy;
- Tenancy in common;
- Ownership or membership in a condominium, cooperative or mutual housing project;
- Life estates or living trusts; and/or
- 99-year leasehold interest in the property.

### 3.3 Property Types

Eligible property types include single family residences defined as 1-4 units:

- 4 housing units on the same parcel, either attached or detached, where at least one unit is occupied by an income-eligible homeowner. Rehabilitation will be limited to the eligible Borrower's unit.
- Traditional single-family housing, or manufactured homes on a permanent foundation.



- Home must be either permitted or legal non-conforming use and compliant with current zoning. Program funds may be used to bring a unit into compliance.

## 4.0 Rehabilitation Standards

The goal of the Program is to support low-income homeowners in the Homeacres neighborhood by providing assistance to address code violations, correct health and safety hazards, remove barriers to accessibility for persons with mobility disabilities, extend the useful life of owner-occupied homes and promote energy efficiency. The program encourages cost-effective repairs for eligible homeowner housing units located in the Homeacres neighborhood.

All repair work shall comply with current California Building Code standards and any relevant standards required by the Solano County Codes. Priority will be given to the elimination of health and safety hazards. All repair work will comply with 2022 California Historical Building Code if a building meets the definition of 'Qualified Historical Building or Property' as defined in California Health and Safety Code section 18955.

### 4.1 Properties with 2-4 Units

For a 2-4 unit property, rehabilitation shall be limited to the eligible homeowner's portion of the cost of work that benefits the overall structure such as roof or exterior changes, and to interior changes for the eligible Borrower household only.

### 4.2 Rehabilitation Loan Property Improvements

Examples of eligible improvements focus on code violations, energy efficiency improvements and removal of barriers to accessibility, and addressing health and safety concerns to extend the useful life of the property. Eligible repairs will include, but are not limited to: insulation installation, window replacement or repair, foundation repair, air conditioning/heating installation or repair, electrical repair or rewiring, plumbing repair, roof repair or replacement, window and door replacement, repair of structurally significant damage, connection to community water or wastewater systems, exterior paint or installation of accessibility improvements to accommodate a person with a disability.

Rehabilitation or installation of "luxury" items such as pools, hot tubs, spas, carports, custom cabinets, and high-end appliances or building materials are not an eligible use of Program funds. Remodeling including room additions, unless it is in response to code deficiencies, is not an eligible use of Program funds. If appliances or building materials that are normally considered luxury items are necessary due to a medical condition of a household member or for reasons of accessibility, the Lender may approve the use of such materials on a case-by-case basis.

### 4.3 Emergency Repair Grant Property Improvements

Examples of emergency repair grant improvements are roof repair, repair or replacement of a water heater or HVAC system, connection to community water or wastewater systems, and repair or replacement of installed appliances such as stove or refrigerator. Repair or replacement of items normally considered personal property is not allowed.

### 4.4 Manufactured Housing Unit Rehabilitation

Program funds may be used for the rehabilitation of an owner-occupied manufactured home if it is located on a permanent foundation and considered part of the community's permanent housing stock. Homes located in mobile home parks are not eligible for the Program.

### 4.5 Structures Not Attached to the Home

Funding will be focused on improving the home. Improvement of structures that are not physically attached to the home should be limited to no more than 15 percent of the rehabilitation loan amount. For example, sidewalks, driveways, detached garages.

### 4.6 Luxury Items

"Luxury items" such as pools, or high-cost building materials are not permitted. If a Borrower requests building materials normally considered as luxury items necessary due to a reasonable accommodation for a medical condition of a household member or accessibility due to a disability, the Program Staff may approve the use of such materials.

## 5.0 Program Loan Requirements

Program assistance may be offered in the form of a loan or a grant, based on the following criteria. The total loan/grant amount may include:

- Construction contract;
- Construction contingency;
- Purchase of materials or appliances;
- Drafting and engineering fees, if required;
- Appraisal, termite inspection charges;
- Permits fees and related building fees;
- Site preparation for replacement housing;

- Escrow, closing and recording fees; title report and title insurance; title updates; and/or
- One year of flood insurance coverage, if required.

Program funds may not be used to pay property taxes.

## 5.1 Maximum Loan Amount

Program loans will not exceed \$80,000 or the total cost of eligible items noted above, whichever is less.

Exceptions may be granted at the sole discretion of the Lender in the event of extraordinary or special circumstances under the requirements noted in section 7.1.

Borrowers that qualify for an Emergency Repair Grant and whose homes pose an immediate significant health and safety concern may receive a grant to address immediate concerns while on the Loan Program Waiting list or while the loan application process is underway. The approval of a Grant will not reduce the maximum loan amount.

## 5.2 Maximum Loan-to-Value

The maximum encumbrance is limited to 95% of the property's after-rehabilitation value as determined by after-rehabilitation appraisal. Maximum encumbrance includes all liens on title plus the anticipated amount of the Program loan.

## 5.3 Required Loan Security

Subordination of the Program loan to existing liens on the property is acceptable. However, Lender will not subordinate lien position once established except to allow for funding to conduct repairs needed to ensure the livability of the home or to reduce housing costs for the homeowner (such as reducing interest rate or payment amount).

All owners listed on the benefiting property title are required to sign the Deed of Trust, Promissory Note, rehabilitation contract documents, and other related loan documents, whether or not they reside on the property.

All Program loans, which are not in first position on title, will require a Request for Notice of Default to be recorded as part of the transaction. If Lender changes address, a new Request for Notice of Default must be recorded to ensure any possible notice is sent to the current address of Lender.

Stick-Built and Manufactured homes - Loan security for rehabilitation of stick-built homes and manufactured homes on a permanent foundation will be secured by the real property and improvements, and will include a Deed of Trust, Promissory Note and Loan Agreement in favor of the Lender.

## 5.4 Emergency Repair Grant Requirements and Limits

Emergency Repair Grants will not exceed \$15,000 each.

## 5.5 Loan Applicant Credit

A credit report will be required for Loan Applicants. Credit report should indicate that the mortgage and property taxes are current and should not have more than 3 payments over 30 days last during the past year. No payments over 60 days late. If the credit report does not meet this standard, the Applicant will be asked to explain, in writing, the reason for any negative entries.

## 5.6 Financing Terms

Program loans will be deferred payment loans with a 30-year term. For Low-Income households at or below 80% AMI, rate will be 0% annual simple interest. For Moderate-Income households between 81% and 120% AMI, rate will be 2% annual simple interest.

Loans will be due and payable in full upon sale, transfer of title, refinancing or death of the borrower. At the discretion of the Lender, the Program loan may be subordinated to a refinance loan if the new loan is taken out to reduce housing costs for the Borrower (for example a new loan with a lower interest rate or payment amount) with no cash out to the Borrower. The new encumbrance plus the program loan may not exceed the maximum loan-to-value amount.

If allowed by the funding source, loans may be assumable by a family member who has resided in the home for at least one year prior to transfer of title and meets the income requirements of the funding source. Examples would be the death of the head of household, or a head of household that must leave the home to enter a full-time care facility.

A transfer by gift, devise, or inheritance to an existing spouse, surviving joint tenant or a spouse as part of a dissolution proceeding, or in connection with marriage shall not be considered a transfer for the purposes of this program.

If a family member not on title at the time of the loan becomes vested in title upon death of a participating borrower and starts to occupy (or intends to occupy) the property as their principal residence, the loan may be assumable if the household can document eligibility per Sections 2.2 and 2.4 and owner-occupancy. The family member must agree to the Program Loan Requirements outlined in Section 5.3 and 5.5. The HLP Agreement will remain in effect for the duration of the original term.

If the inheriting family household cannot meet any of these requirements, the County may call the loan immediately due and payable along with applicable recapture provisions

outlined in the lien, promissory note or loan agreement The HLP Agreement shall terminate and have no further effect.

## 5.7 Insurance

Borrower must maintain property insurance coverage in an amount adequate to secure all encumbrances, including the Program loan, for the duration of the loan period naming the Lender as loss payee for the amount of the loan. Insurance shall include hazard and fire coverage. If the Program loan is a second mortgage, the Lender should be listed as additional insured. If Borrower fails to maintain the necessary insurance, the Lender is notified in writing by the insurance company. If this occurs, the Lender will notify the Borrower and require that insurance is reinstated within 7 working days.

If Borrower does not reinstate insurance within 7 working days, Borrower may take out forced place insurance to cover the property while the Borrower puts a new insurance policy in place. All costs for installing the necessary insurance will be added to the loan balance. The amount will be added at time of installation of Borrower's new insurance or if loan becomes due and payable.

In areas designated by HUD as flood prone (located in a 100-year flood plain) the Borrower is required to maintain flood insurance for the duration of the loan period in an amount adequate to secure the Program Loan. The policy must designate the Lender as Loss Payee for the amount of the loan.

## 6.0 Loan Approval Process

The loan approval process will be followed for all Applicants.

### 6.1. Preliminary Eligibility

Upon receipt of an application, Program Staff will evaluate the application and all supporting documentation to determine whether the Applicant and the Property meet preliminary eligibility requirements for any of the available funding sources.

Lender may deny a loan request if the Applicant has any unexplained or unresolved delinquencies for any payment or amounts owed in the twelve months prior to applying for assistance. Lender will consider all delinquencies including payments to public or private utility service providers.

The Lender may deny a loan request if the Applicant has any bankruptcies in the past seven years or has filed bankruptcy prior to funding of the loan and recordation of the deed of trust.

The Lender may deny a loan request if the Applicant has provided false or erroneous information, or failed to complete the application process, or if there are any unresolved clouds to the property's title at the time of applying for a loan. Examples of clouds to title

include, but are not limited to, persons named on title who have not signed the loan application, persons named on title who are deceased, judgments against the property for nonpayment of taxes of any kind, and mechanics liens filed against the property.

Applicants meeting preliminary eligibility will be placed on the Loan Program Waiting List.

## 6.2 Waiting List

Program Staff will establish a Loan Program waiting list and will provide Loan assistance on a first-come, first served basis. A separate waiting list will be established for Emergency Repair Grants.

Properties that have been determined to be uninhabitable by Solano County Code Enforcement, Building Department or the Program Staff inspector, may be given preference to correct a hazardous condition that impacts the neighborhood or the community.

## 6.3 Selection from the Waiting List

When funding and sufficient staff are available, Applicants will be selected from the Loan Program Waiting List. Program Staff will:

- Order a credit report and title report; and
- Request current documentation if documentation in the file is outdated.

If credit report and title report are acceptable:

- Request Program Staff inspector to schedule a property inspection to begin the work write-up process;
- Request an appraisal or other valuation of the property;
- Conduct environmental review, if required by the funding source; and
- Provide lead-based paint safety information to Applicant.

## 6.4 Work Write-Up

As available funding and Program staffing resources allow, Applicants will be selected from the waiting list for participation. Program Staff will conduct a thorough property inspection to determine eligible repair items. All items will be listed on a work write-up with their cost estimates as determined by the Program Staff inspector. The Program Staff inspector bases the estimate on current industry prices of materials and wages for the type of work being completed.

When appropriate, Applicants will be referred to other local, state or federal programs such as the Solano County Lead Abatement Program, Sustainable Solano, the Bay Area Regional Energy Network (BayREN). If costs exceed the maximum loan amount, Applicants will be referred to private financing sources if available.

## 6.5 Construction Bids

Based on the work write-up, the Applicant will be responsible for obtaining three (3) bids from qualified licensed contractors. Program Staff will maintain a list of qualified contractors to choose from or the Applicant can solicit contractors who are not currently on the Program contractor list. If chosen, the contractor must meet the contractor requirements in section 9.1.

## 6.6 Bid Review

Once bids have been received and bid period has closed, the Applicant and Program Staff will review the bids for reasonableness, competitiveness, and completeness. Program Staff will use the cost estimates provided by the inspector to evaluate the proposals. If the lowest bid exceeds 110% of the cost estimate, Program Staff will ask the inspector to re-examine the work write-up and may require the Applicant to get new bids. Program Staff and the Applicant will determine which items will be accomplished and the total amount of the loan. Applicant will then choose a contractor and if approved for a rehabilitation loan, will enter a contractual arrangement with the contractor based on the bid and the repair items chosen.

## 7.0 Housing Rehabilitation Loan Committee

The Lender will establish a Housing Rehabilitation Loan Committee consisting of at least three (3) people, at least one from the Department of Resource Management and at least one from another County department. The Loan Committee members will be subject to the Conflict-of-Interest restrictions in section 1.3 above.

The application package including the completed application, credit and title reports, work write-ups and appraisals, and an analysis of outstanding loans and debt will be sent to the Housing Rehabilitation Loan Committee. The Loan Committee will make the final determination of eligibility for loans that meet the requirements of the approved Program guidelines.

### 7.1 Exceptional Circumstances

If bids exceed the maximum loan amount and there are special circumstances that warrant additional costs, the Applicant may request an Exception as noted in section 5.1. Exceptions must be requested in writing, explain the special circumstance and be signed by the Applicant. The Exception request will be presented to the Loan Committee for consideration. The Loan Committee may approve an Exception amount not to exceed 10% of the maximum loan amount.

The Applicant will be notified of the Loan Committee's decision within five (5) business days.

## 8.0 Emergency Repair Grant Approval Process

The Emergency Repair Grant approval process will be followed for all grant Applicants.

### 8.1. Grant Preliminary Eligibility

Upon receipt of a grant application, Program Staff will evaluate the application and all supporting documentation to determine whether the Applicant meets preliminary requirements for any of the available funding sources.

Applicants meeting preliminary eligibility will be assisted as quickly as possible. If funding is not available, the Application will be placed on the Emergency Repair Grant Waiting List.

### 8.2 Selection from the Emergency Repair Grant Waiting List

When an Applicant has received preliminary eligibility and funding is available, Program Staff will:

- Request current documentation if the file is outdated;
- Request Program Staff inspector to schedule a property inspection to begin the work write-up process; and
- Conduct environmental review, if required by the funding source.

### 8.3 Grant Work Write-Up

Program Staff will visit the property to determine eligible emergency repair grant items.

If rehabilitation needs exceed the allowable funding amount, Applicants will be referred to other local, state or federal programs and/or private financing sources if available. Applicants will be referred to other local, state or federal programs and/or private financing sources if available.

### 8.4 Construction/Vendor Bids

The Applicant will be responsible for obtaining three (3) bids from vendors or qualified licensed contractors as appropriate. Program Staff will maintain a list of qualified contractors to choose from or the Applicant can solicit contractors who are not currently



on the Program contractor list. If chosen, the contractor must meet the contractor requirements below.

## 8.5 Bid Review

Once bids have been received, the Applicant and Program Staff will review the bids for reasonableness, competitiveness, and completeness. Program Staff and the Applicant will determine which items will be accomplished and the total amount of the grant. Applicant will then choose a vendor/contractor.

## 8.6 Housing Rehabilitation Loan Committee

The application package including the completed application and bids will be sent to the Housing Rehabilitation Loan Committee. The Loan Committee will make the final determination of eligibility for grants that meet the requirements of the approved Program guidelines.

The Applicant will be notified of the Loan Committee's decision within five (5) business days.

## 9.0 Construction Contracting Procedures

All housing rehabilitation work must be carried out in compliance with requirements noted in these Program Guideline.

### 9.1 Contractor Requirements

All general and sub-contractors must hold a current and valid State of California General Contractor's license.

The contractor must have current and valid General Liability and Workmen's Compensation Insurance.

The contractor must follow all state and federal regulations regarding prevailing wages. It should be noted that most Program projects will be exempt from prevailing wage.

If work requires remediation of lead-based paint, contractor must possess or have the ability to hire a sub-contractor that possesses lead abatement certification.

The contractor must provide a minimum of a one (1)-year warranty for their work per State regulations. Some items may require a longer term warranty.

### 9.2 Notice of Completion

Contractor must file a Notice of Completion to be recorded with the County Recorder prior to requesting final payment.

## 10.0 Dispute Resolution/Appeals Procedure

Lender and its agent are primarily responsible for ensuring that the Program is implemented in compliance with state and federal regulations in a timely and responsible manner. This includes developing accurate and professional files, work write-ups and contract documents. Program Staff will attend the meeting between the homeowner and the contractor when contract documents are signed and facilitate in the clarification and/or corrections of proposed work so that a clear understanding is established between both parties. Program Staff will make every effort to provide language assistance for non-English speakers at contract signing.

Any dispute between the parties that cannot be settled through the informal intervention process outlined above shall be subject to the termination or dispute resolution clauses in the contract, as applicable.

The contractor's work will be reviewed by the Program consulting agent prior to approval of payment to the contractor. Solano County Building Department is responsible for ensuring that work is completed in compliance with the building permit and applicable codes.

The contractual obligation for rehabilitation is ultimately between the contractor and the homeowner. If a situation occurs where the two parties are in conflict, the following dispute process will be followed:

- I. Before any intervention occurs, the homeowner or contractor shall communicate perceived problems or complaints directly to the other party and the Program Staff. To resolve the differences, the homeowner and contractor will each give the other an opportunity to respond or correct the problem.
- II. If the first attempt fails, the homeowner or contractor may ask Program Staff to informally intervene. This intervention might include telephone call(s) to the contractor or homeowner, meeting(s) at the job site or in the office, or other actions as seem appropriate, including such things as the establishment of written working guidelines, or other post-contractual agreement.
- III. . In cases of building code compliance or questions of construction quality, the building inspector may be contacted. Homeowners may choose to pursue other options which include contacting the Contractors State Licensing Board and submitting a complaint.
- IV. Any dispute between the parties that cannot be settled through the informal intervention process outlined above shall be subject to the termination or arbitration clauses in the contract, as applicable.

## 11.0 Prohibition Against Cash Refunds

Borrowers are reminded that it is a violation of program policy for cash refunds to be received for materials purchased or labor secured. In cases where materials are to be returned and cash is to be received, all cash must be immediately returned to the Borrower's escrow account.

## 12.0 Anti-Displacement Policy

County funded rehabilitation projects shall not result in involuntary displacement.

Temporary voluntary relocation of an owner-occupant household during a substantial rehabilitation project may be necessary, and all applicants will be informed of their choices. The owner-occupant household is solely responsible for finding temporary housing as needed. Neither the County nor its agent will be responsible for finding temporary housing for any or all of the owner-occupant household.

## 13.0 Loan Amendments

The Lender may make amendments to these guidelines as needed. Amendments will be approved by the Loan Committee. Amendments required by the funding source will not require additional approval.

## 14.0 Exceptions and Procedures for Exceptional Circumstances

An exception is any case to which a standard policy or procedure, as stated in the guidelines, does not apply or in which an Applicant is treated differently from other Applicants.

In the event of extraordinary or special circumstances, the Loan Committee may grant an Exception to the maximum loan amount if the exception does not violate the regulations of the funding source or fair housing law.

Program Staff may initiate consideration of an exception and prepare a report. This report shall contain a narrative, including a recommended course of action and any written or verbal information supplied by the Applicant. The request shall be presented to the Loan Committee for decision and consideration.

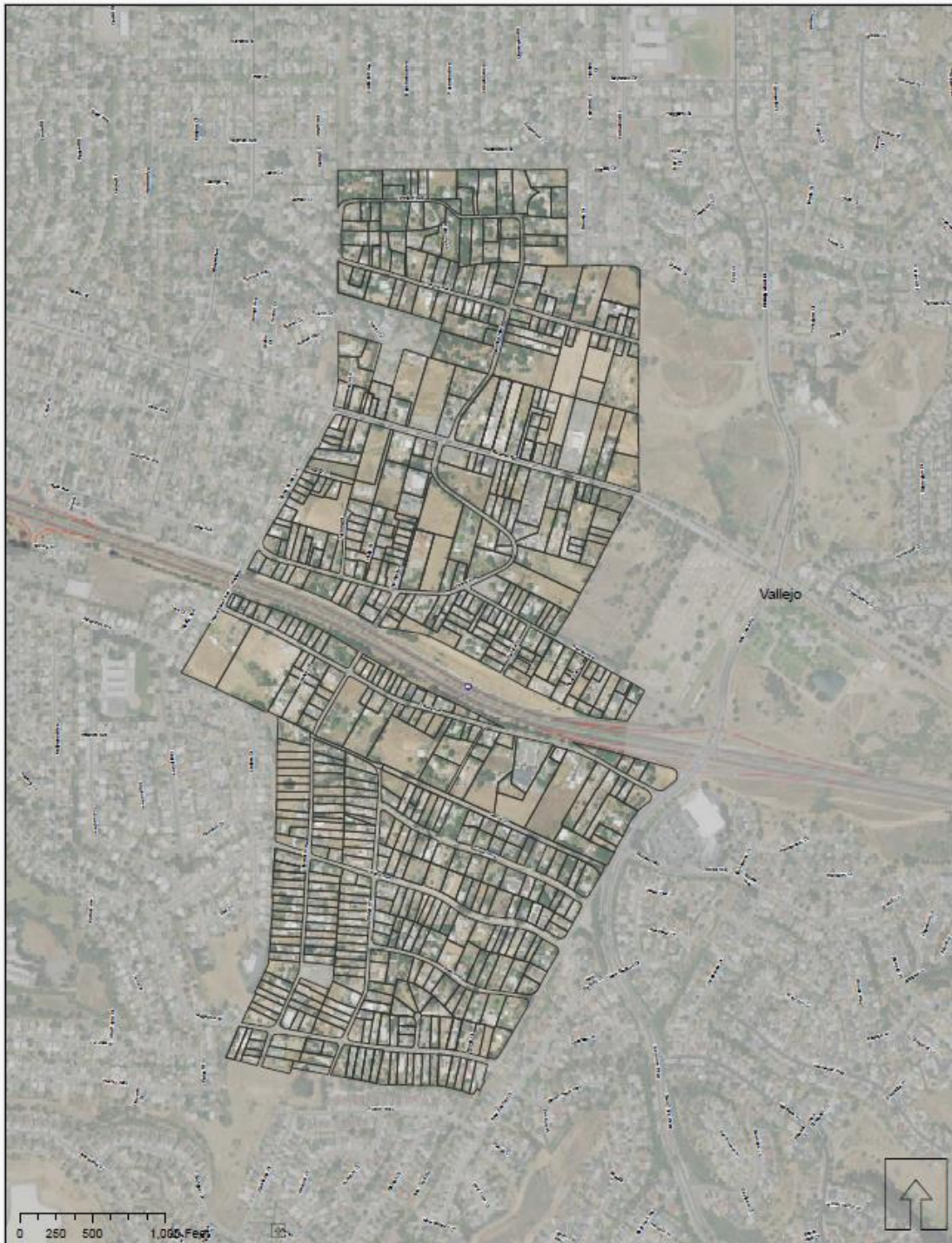
## 15.0 Exhibits

Exhibit A – Homeacres Neighborhood Map

Exhibit B – HUD Income Limits

Exhibit C – Housing Rehabilitation Program Process Summary

# Exhibit A Homeacres Neighborhood Map



## Exhibit B 2024 HUD Income Limits

Vallejo-Fairfield Metropolitan Statistical Area (MSA)

INCOME LIMITS	HOUSEHOLD SIZE							
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Extremely Low (30% AMI)	\$26,450	\$30,200	\$34,000	\$37,750	\$40,800	\$43,800	\$46,850	\$49,650
Very Low (50% AMI)	\$44,050	\$50,350	\$56,650	\$62,900	\$67,950	\$73,000	\$78,000	\$83,050
Low (80% AMI)	\$70,450	\$80,050	\$90,550	\$100,650	\$108,700	\$116,750	\$124,850	\$132,850
Moderate (120% AMI)	\$105,650	\$120,750	\$135,850	\$150,950	\$163,050	\$175,100	\$187,200	\$199,250

Source: U.S. Department of Housing and Urban Development 2024 Income Limits (Effective 5/1/2024)

# Exhibit C Housing Rehabilitation Program Process Summary

1. Homeowner contacts Program. Program staff will maintain an Interest List of persons who have expressed interest.
2. Homeowner is provided programmatic information and application materials.
3. Homeowner completes and submits application with all required documentation. Applications may be submitted online or using a paper application form. If needed, Program staff will assist with preparation of the application and will assist with securing translation of materials.
4. Program staff will review application and documentation.
  - If all information is correct and complete, the homeowner will be placed on the Program Applicant List or Emergency Repair Program List as appropriate.
  - If additional information is needed, Program staff will contact the homeowner and request documentation.
5. For Emergency Repair Grants, when funding is available; the next application will be selected for review as soon as possible.
  - Program staff will determine whether Applicant meets Program eligibility criteria.
  - Program staff will work with Applicant to obtain bids or quotes for necessary repairs/installation.
  - Program staff will make recommendation for approval/disapproval to the Loan Committee.
  - If approved by the Loan Committee, Program staff will prepare grant agreement for Borrower's signature.
  - Program staff will work with Borrower to purchase or contract for repairs/installation, ensuring that procurement meets requirements of the funding source.
  - Program staff will submit payment request to the County and County will pay the vendor/contractor.
6. For Housing Rehabilitation Loans, when funding is available; the next application on the Program Applicant List will be selected for review when staffing is available.

- Program staff will determine whether Applicant and Housing Unit meet Program eligibility criteria.
- If determined eligible, Program staff will schedule a site visit to assist with determining work write-up (scope of work) and initial cost estimate.
- Once all eligibility verifications, scope of work and cost estimates are complete, Program staff will prepare bid package and publish bid.
- Bid process will include a walk-through for interested Contractors.
- Once bids are closed, Program staff will meet with Borrower to review bids.
  - If an acceptable bid is selected, Program staff will notify bidder.
  - If an acceptable bid is not received or if all bids are in excess of available funding, Program staff will work with Borrower to reduce scope of work, negotiate with bidders or consider other options.
- Once Borrower accepts a bid and selects a Contractor, Program staff will schedule a meeting of the Loan Committee and prepare Loan Memo.
- Loan Committee will approve/disapprove the loan.
  - If disapproved, Program staff will contact the Applicant.
  - If approved, Program staff will prepare loan documentation, prepare construction contract, request funds from the County and open an escrow account.
- Borrower will sign loan documents and construction contract.
- Program staff will review any change orders. Change orders must be in writing and signed by Borrower and Program staff.
- Payments to the Contractor must be approved and signed by Borrower and Program staff before submission to the escrow company for payment. Program staff will inspect work prior to approving any payments to the Contractor.
- All payments to Contractor will withhold a 10% retention to be paid 30 days after receipt of completed building permit.