
Kentucky Housing Corporation

HouseWorks Repair Program

2012



**Kentucky Housing Corporation
1231 Louisville Road
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Kentucky Housing Corporation

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HouseWorks Repair Program

Program Overview

Kentucky Housing Corporation's HouseWorks Repair Program is designed to provide funding resources to nonprofits and units of local government that are working to address the repair need of low-income homeowners across the state. This program will offer funding on a non-competitive, first-come, first-served basis until the funds are depleted.

Eligible Applicants

The HouseWorks Repair Program is available to nonprofits and units of local government that are eligible to receive funds from the Affordable Housing Trust Fund.

Eligible Households

Eligible households to receive assistance must be at 60 percent or below the area median income for the participating county. All funds will be provided in the form of a grant. The maximum amount of HouseWorks Repair assistance that a household can receive cannot exceed \$10,000 throughout the life of the program.

Program Match Requirement

Applicants are required to match at least 50 percent of the requested HouseWorks Assistance Program funds. For example: If your organization is requesting \$10,000 in HouseWorks Assistance Program Funding, then you would be required to also provide at least \$5,000 in matching resources.

The following is a list of resources that an applicant may propose to meet their program match requirement:

- Cash
- Volunteer Labor (valued at \$10 per hour)
- Donated Materials
- In-Kind Administrative or Support Services

Terms of Affordability

HouseWorks Assistance funds must be secured by one of the following two methods:

- If HouseWorks Assistance invested in the property is less than \$5,000, then the owner must sign a Certification of Affordability.
- If HouseWorks Assistance invested in the property is more than \$5,000, then the funds must be secured by a five-year deed restriction*.

*KHC will prepare the deed restriction. The administering agency is responsible for preparing the legal description for the deed restriction, filing the deed as well as provide for any fees associated with the recording the deed.

If the property is sold, leased, refinanced or no longer used as a primary residence of the assisted homeowner, the unforgiven portion of the loan is repayable to the KHC as program income.

Eligible Improvements

Eligible improvement and/or repairs include the following:

1. **PLUMBING** – Funds may be used for modest but complete functioning plumbing facilities, including adapting existing plumbing facilities for use by person with disabilities. Funds are limited to one full bath per household. Eligible activities include: water wells, water pumps

- and public water supply hookups. All plumbing installed or repaired under this program must be in compliance with the Kentucky Plumbing Code. Inspections must be made by the appropriate authorities (authority) and the contractor must supply Recipient, KHC and the participant family with a copy of the plumbing permit and proof of final inspection. For projects where the state plumbing code does not require a permit or inspection, KHC reserves the right to require an inspection.
2. **WATER QUALITY** – Funds may be provided to upgrade existing individual sewage treatment systems. Funds may be used for Health Department-approved septic systems or Division of Water-approved individual sewage treatment systems, or hookups to Division of Water-approved community sewage treatment facility. Permits and inspections are required.
 3. **ENERGY CONSERVATION/WEATHERIZATION, HEATING** – Funds may be used to provide adequate insulation in ceilings, walls, floors (in order of priority); replacement of single-glazed windows with insulated glass windows; and replacement of up to two exterior doors (no greater than one-half glass). French doors, sliding glass doors and patio doors are not permitted. Funds may be used to provide new heating systems, including those fueled with gas, oil, propane, coal, wood or electricity. For replacement of central systems, the participant family must provide documentation from a certified HVAC contractor that the existing heating system – after repair – would be inadequate to meet needs during winter months. Any existing heating system less than five years old is not eligible for replacement. Exceptions to this rule include: conversion to a central heating system from a coal, oil, gas or wood-fired space heater (non-central system).
 4. **AIR CONDITIONING** – KHC funds may not be utilized to provide window-type air conditioning units. However, KHC funds may be utilized to provide central air conditioning serviced by a heat pump. Exceptions would be made to provide reasonable accommodation for participant families who provide documentation by a licensed Kentucky physician or advanced registered nurse practitioner that the participant family has a medical condition that requires air conditioning.
 5. **ENERGY EFFICIENCY GUIDELINES** – All newly-installed central systems must be energy efficient. Heating systems must have an 85 percent or higher efficiency rating. Heat pumps must have a “SEER” efficiency rating of 12 or higher. Central systems of straight electric resistance heat, such as baseboard heaters or electric furnaces, must be avoided whenever possible. All wood and coal space heater installations must feature a catalytic converter to reduce particulate matter. The use of existing ductwork and flues must be inspected and certified as safe.

Incidental Improvements

1. **BATHROOM ADDITIONS** – In the event space is required to provide room for a bathroom and wash/dryer hookups, KHC funds may be utilized to build a modest addition to an existing structure. Typical bathrooms may not exceed 40 square feet and utility rooms may not exceed 50 square feet. Handicapped-accessible bathrooms may be up to 90 square feet. All work performed on a newly-constructed addition must meet the requirements of the Kentucky Residential Code and any successor code in effect in the Commonwealth of Kentucky at the time the construction is performed. A thermostat-controlled source of heat must be provided to the bathroom and utility room either via a central system or individual space heater.
2. **ROOF REPAIRS** – Roof systems that are 15 years old or older and severely dilapidated may be replaced with KHC funds. Roofs in need of minor repairs may be patched and repaired as needed. Soffits, fascia, gutters and downspouts are not eligible for funding.
3. **SIDING** – Not eligible for KHC funding.
4. **ELECTRICAL WIRING** – Wiring incidental to any of the above-mentioned repairs is eligible including new main service. All new wiring must be inspected by a Commonwealth

of Kentucky-certified electrical inspector. The contractor must furnish the owner, recipient and KHC a copy of the inspection reports regardless of the level of electrical wiring provided.

Manufactured Housing/Mobile Homes (HUD Code Homes)

Repair of HUD Code Homes are eligible if they meet recipient minimum requirements. In addition, the home must be sited on a foundation featuring poured concrete footers per code requirements under all bearing piers. The dwelling must have a permanent set of steps at both the front and rear doors which meet the requirements of the Kentucky Residential Code. All homes must be underpinned to prevent freezing of water lines. All water pipes must be insulated to further prevent freezing.

Handicapped Accessibility

KHC funds may be used to physically adapt a home for handicapped accessibility including wheelchair ramps, door widening, bathrooms, kitchens and other rooms as necessary for accessibility.

HOW THE HOUSEWORKS REPAIR PROGRAM WORKS

- An eligible organization becomes accepted into the program by completing a **HouseWorks Repair Membership Application**.
- Members can reserve funds for qualified homeowners, on a case-by-case basis, by submitting a **HouseWorks Repair Program set-up packet**, once the homeowner is deemed qualified. There is not a limit on the number of set-up packets that may be submitted at one time for eligible homeowners.
- Final approval of the **HouseWorks Repair Program set-up packet** will be made by KHC staff and will depend on the availability of funding.
- Once KHC has approved the set-up packet, KHC will issue a **letter of commitment** and a **grant agreement** for the eligible household. These documents will be sent to the participating organization for execution.
- The original **executed grant agreement, certificate of affordability or deed restriction** must be returned to KHC within 30 days or the funding reservation is recaptured. Funding can not be released until these documents have been returned to KHC.
- **Funds may be reserved for 180 days.** All work for which HouseWorks Repair funds are used must be completed within one hundred eighty (180) days of the signing of the grant agreement and must meet state and local government safety and sanitation standards and building codes. The participating organization, homeowner and contractor must comply with all applicable local, state and federal laws, including but not limited to lead-based paint abatement regulations. At the end of 180 days, the funds will automatically be recaptured.
- Participating organizations are limited to **two (2) draws per unit**. These draws must be submitted on the **KHC universal draw form** located at www.kyhousing.org.
- **Draw Request.** Disbursement will be made in the form of a **two-party check** made payable to Contractor and Homeowner through the participating organization's office. Homeowner will be required to sign an acknowledgement that HouseWorks Repair funds have been received and will cooperate with the participating organization to obtain lien waivers from Contractor.
- Although KHC does not require an **inspection** with every draw, KHC does reserve the right to inspect any and all units throughout the program year.
- **Deadline for Completion.** HouseWorks Repair funds must be drawn within one hundred eighty (180) days of the date of the executed grant agreement.
- A **Final Inspection Report, Affidavit of Completion, and pictures of the completed work** must be submitted with the final draw request. Pictures can be photocopies and sent through the mail or e-mail.

**Kentucky Housing Corporation
HouseWorks Repair Program
Membership Application**

Please complete the following application in its entirety. Failure to complete any section will constitute an incomplete application and membership will be denied.

Applicant General Information:

Name of Organization:			
Mailing Address:			
City:		Zip code:	
Federal tax ID number:			
Primary contact person:		Title:	
Phone number:		Fax number:	
E-mail address:			
Activity:	<input type="checkbox"/> Minor Repair	<input type="checkbox"/> Major Repair	
Type of Organization:	<input type="checkbox"/> Nonprofit	<input type="checkbox"/> Local government	

Agency Experience

- Please attach the following items at the end of the application, tabbed as labeled below.

	Attachment #
Narrative description of your program. Include scope of work with all eligible repairs to be provided through organization.	1
Narrative description of your agency, its ability and past experience with similar projects of this type and scope. Include the number of homes that have received repair assistance over the past year.	2
Most recent Financial Statements and/or IRS Form 990 (nonprofits only)	3

- How many units does the agency anticipate it will complete in the next 12 months through the HouseWorks Repair Program?
- Please list the five (5) most recently completed transactions.

Address, City, Zip code	Total Cost of Repairs	Amount of Subsidy (all sources)	Type of Repair Work Completed

Address, City, Zip code	Total Cost of Repairs	Amount of Subsidy (all sources)		Type of Repair Work Completed

Applicant Qualification and Experience

Describe the housing experience of your development team and the staff assigned to this project, specifically in relation to the activity proposed and to the type and amount of KHC financing requested. Attach the resumes for each person at the end of the Application.

Development Team Member Name (include Project Administrator and/or Consultant)	Title	# Years of Housing Development Experience	Type(s) of Experience (i.e. construction management, work write-up review, etc. – be specific)

Households Assisted

Please identify the income levels and household types to be assisted with this program.

Households Assisted			
Income Levels:	<input type="checkbox"/> 0-30 percent AMI	<input type="checkbox"/> 31-50 percent AMI	<input type="checkbox"/> 51-60 percent AMI
Households Served:	<input type="checkbox"/> Elderly (62+)	<input type="checkbox"/> Physically Disabled	<input type="checkbox"/> HIV/AIDS
	<input type="checkbox"/> Families w/Children	<input type="checkbox"/> Developmentally Disabled	<input type="checkbox"/> Alcohol/Chemical Dependency
	<input type="checkbox"/> Families	<input type="checkbox"/> Mentally Disabled	<input type="checkbox"/> Single parent
	<input type="checkbox"/> Other: _____		<input type="checkbox"/> Homeless

HOUSEWORKS REPAIR PROGRAM SCORESHEET

Kentucky Housing Corporation HouseWorks Repair Program--Application Scorecard

Agency Name:				
Agency Address:				
Date submitted:			Reviewed by:	
Proposal Evaluation				
Criteria	Priority (High, Medium, Low)	Factor	Score (1-3)	Final Score
Program Design	High	3	3	9
Capacity	High	3	2	6
Experience	Medium	2	3	6
Audit	Low	1	3	3
			Score (1 to -1)	
			Total Score	24

Scoring

Priority:

Each of the criteria is ranked as either "High", "Medium" or "Low" priority. Each priority has a factor of 1-3; three being the factor for "High", two being the factor for "Medium", and one being the factor for "Low".

Score:

Each "Criteria" is reviewed and a score of 1-3 is assigned to that applicant, 1 being the lowest and 3 being the highest. A score of 15 is needed to be approved as a HouseWorks Repair Program member.

Criteria

Program Design: Overall review of program design narrative.

- Score: 3** Applicant narrative on program design is reasonable and scope of work addresses eligible improvements
- Score: 2** Applicant narrative on program design is somewhat reasonable and includes eligible improvements. Minor changes are recommended.
- Score: 1** Applicant narrative on program design is not reasonable and/or applicant is proposing to provide repairs that are not eligible.

Capacity: Overall capacity / performance of applicant

- Score: 3** KHC staff has experienced satisfactory performance from the applicant; or Applicant has never worked with KHC in the past.
- Score: 2** KHC staff experienced repeated and/or major delays and/or difficulties in working with applicant; **or** The applicant has taken very significant steps to correct previous problems and ensure that they do not occur in the future (KHC must be convinced that the steps taken are significant enough to prevent continued problems); **or** Applicable probationary period has elapsed.
- Score: 1** KHC staff has experienced repeated delays and/or difficulties in working with applicant and the applicant has made no effort to correct.

Experience: Overall applicant experience and qualification

- Score: 3** Applicant has documented sufficient organizational experience and staff capacity to conduct proposed project.
- Score: 2** Applicant has somewhat documented the organizations experience and staff capacity to conduct proposed project.
- Score: 1** Applicant has not sufficiently documented the organizations experience and staff capacity to conduct proposed project.

Audit: Review of financial statements

- Score: 3** Applicant's submitted financial statements show no significant issues.
- Score: 2** Applicant's submitted financial statements show weaknesses but no significant issues.
- Score: 1** Applicant' submitted financial statements show significant issues.