



## Owner-Occupied Rehabilitation Program

Dear Property Owner,

Thank you for your interest in the City of Napa's **Owner-Occupied Rehabilitation Program**, which is funded by a grant from U.S. Housing and Urban Development (HUD) through the State of California. This Program is administered on behalf of the City of Napa. The program is part of the City of Napa's effort to preserve and improve the housing of low-income households. Qualified property owners may be eligible to receive a no-interest loan for home repairs and improvements, depending on the household's annual income and equity in owned property.

Examples of eligible work include foundation, structural, electrical, mechanical, plumbing, windows, flooring, painting, insulation, and termite repairs, as well as disabled-accessibility and energy efficiency improvements. Limitations do apply and the work that is eligible to be performed on your home will be determined during the application process.

In addition to providing no-interest loans to eligible households, the Program offers assistance throughout the application, loan, and construction processes, including contractor hiring and construction management. The Program's Housing Rehabilitation Specialist will perform an inspection of your home, prepare a scope of work to initiate the contractor bidding process, assist you in selecting a contractor, monitor the construction activities, and administer all payments, documents, and closing statements necessary to ensure satisfactory completion of the work.

If you have any questions about the Program, please call the Housing Authority at (707) 257-9642

Sincerely,

*Housing Authority of the City of Napa*

# PROGRAM OVERVIEW

## Who Can Apply?

Owners of single-family residences in the Napa city limits who meet the following maximum household income limits and other requirements may apply for the Rehabilitation Program.

### Program Household Income Limits

Household Size	Maximum Household Income
1	\$70,550
2	\$80,600
3	\$90,700
4	\$100,750
5	\$108,850
6	\$116,900
7	\$124,950
8	\$133,000

(Income limits per HUD, effective June 15, 2022)

## How to Apply?

1. Complete a Rehabilitation Program loan application.
2. Provide copies of all supporting documentation listed on the Loan Application Checklist Page.
3. Deliver the completed application materials to the Program Operator: Housing Authority of the City of Napa at 1115 Seminary Street, Napa, CA 94559.

Your application will be reviewed, and you will be contacted if any additional information is needed. You will receive written notification on whether your application is approved or denied.

## **The Scope of Work**

1. Once you have qualified for the Rehabilitation Program, the Program's Housing Rehabilitation Specialist will schedule an inspection of your property.
2. Working with you, the Rehabilitation Specialist will develop a list of corrective actions for all health and safety deficiencies in your home, along with a limited amount of general property improvements, that will be used as the Scope of Work for your rehabilitation project.

## **The Bidding Process**

1. Once a Scope of Work is agreed upon, the Rehabilitation Specialist will prepare a work write-up, which is a list of bid specifications for the rehabilitation project (a description of each improvement to be made, along with materials, colors, construction specifications, etc.).
2. Your rehabilitation project will then be advertised on the Housing Authority's contractor bidline. The bidline information will not give out your name, phone number or address.
3. When three or more contractors have expressed interest in bidding on your rehabilitation project, a bid walk will be scheduled. The contractors and Specialist will come to your home on an agreed-upon date and time to evaluate the rehabilitation project, take measurements and photos, and prepare to bid on the work.
4. The results of any submitted responsible bids for the project will be sent to the applicant and each bidding contractor.
5. You are allowed to select any of the bids and are not required to choose the lowest bid.

## **Contract Signing and Loan Closing**

1. The owner, selected contractor and Rehabilitation Specialist will meet to sign the Owner-Contractor contract on an agreed-upon date and time. The contract will specify the complete Scope of Work to be performed, the cost of the project, the length of time allowed to complete the work, the procedure for paying the contractor, qualifications and insurance requirements, the process for changing the terms of the contract, the warranty period, and other contract issues that protect the rights of the owner and contractor.
2. You will also be asked to sign loan documents including: a promissory note for the amount of the loan, a deed of trust or an H.C.D. lien to secure the promissory note and a loan disclosure statement describing the terms of the loan. In order to make the loans as affordable as possible, the City of Napa has decided not to charge interest on the loans and to make them payable upon sale of your residence (with certain exceptions, such as refinancing your mortgage.)
3. As with all legal contracts, you will have three business days (72 hours) after signing to exercise your "Right to Cancel" during which time you may change your mind and withdraw from the Program. "Business days" include Saturdays, but do not include Sundays or

holidays. Should you opt to withdraw from the Program, you are not disqualified from applying again at a later date. However, the City of Napa does ask you to carefully consider your commitment to our Program, as many hours of administrative time go into processing each application.

## **Construction and Project Completion**

1. When the Right to Cancel period ends and on the agreed upon date, the Rehabilitation Specialist will issue a Notice to Proceed and the contractor will be allowed to begin work on your rehabilitation project.
2. The length of the contract may be extended if additions or changes to the contract are agreed upon, or if unavoidable delays such as inclement weather occur.
3. During the course of construction, the Rehabilitation Specialist will conduct inspections to ensure that work is being performed in accordance with the Scope of Work and in a satisfactory manner.
4. Upon completion of all work items, the Rehabilitation Specialist will perform a final inspection, verify that all building permits have been signed off, process a final payment to the contractor and issue a Notice of Completion.

*Our goal is to support you in the successful rehabilitation of your home!*

*Please contact the Housing Authority of the City of Napa, the Rehabilitation Program's operator, at (707) 257-9543 if you need assistance at any point in the application process.*