



**Bringing People Together To Build Homes,
Communities and Hope**

HOME REPAIR PROGRAM

Fayetteville Area Habitat for Humanity

June 2021

Proponent: FAHFH Construction Team

Vision: A world where everyone has a decent place to live.

Fayetteville Area Habitat for Humanity Home Repair Program

The FAHFH Home Repair program helps low-income homeowners who struggle to maintain their homes due to limitations related to income, age, disability, or other circumstances. Through the home repair program, homeowners are able to work side-by-side with Fayetteville area Habitat for Humanity staff and volunteers to repair their home with pride and dignity. The program brings together volunteers who put their values to work helping homeowners in need. The end result is homes that are safe and maintained, homeowners who are able to continue to occupy their homes, and renewed neighborhoods.

Repairs may include:

- Minor/Major roof repair
- Minor structural repairs
- Caulk, seal, repair or replace windows and doors
- Additional insulation
- Weatherization
- Home preservation
- Electrical Hazards
- Plumbing Hazards
- Home modifications due to disability

Homes are selected for Home Repair partnership based on greatest need, availability of resources and volunteers, and on the ability of volunteers to help complete the project.

The contents of this guide will further detail the Fayetteville Area Habitat for Humanity Home Repair Program.

Signature of Construction Manager: _____

Signature of Chief Executive Officer: _____

Date: _____

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Fayetteville Area Habitat for Humanity Home Repair Program

The Fayetteville Area Habitat for Humanity (FAHFH) Home Repair program addresses major safety concerns in homes by making necessary repairs at a subsidized rate, allowing homeowners to remain in their homes.

The FAHFH repair program consists of three main categories:

1. Veteran Repair: FAHFH will work alongside various community partners to offer a hand-up to Veterans who have served in the Armed Forces and are having difficulty repairing or functioning in their homes within the FAHFH area of operation. It is the goal of FAHFH to enable Veterans and their families to remain in their home and continue to live independent full lives, despite fixed incomes and/or physical limitations by focusing repair efforts on health, safety and accessibility.

Eligibility Requirements:

- Applicant must be the homeowner
- Veteran must currently reside in the home
- Property must be owner occupied
- Property must be a single family residence
- Taxable Income meets Area Median Income (AMI) -100% for veterans
- Must provide copy of DD-214
- Funding source may require additional information

2. General Home Repair: FAHFH will work alongside community partners and funding sources to offer home repairs for low income families in the FAHFH area of operation to improve their living conditions by focusing on health, safety and accessibility.

Eligibility Requirement:

- Applicant must be the homeowner
- Property must be owner occupied and not house renters
- Property must be a single-family residence
- Income must be below the most current AMI Guidelines based on household size

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3. Housing Plus Aging in Place Repair Program (65 or older population): FAHFH will work alongside community partners to offer a holistic approach for applicants who are 65+ years of age.

FAHFH will utilize a two-part Housing Plus holistic assessment with older adult repair applicants who are 65+. Both assessments work together to determine the scope of work and referrals for the homeowner.

The two-part assessment includes:

1. A holistic assessment completed by a health or human services professionals who talks with the homeowner about their activities of daily living (ADL) and instrumental activities of daily living (IADL).
2. A complete home repair evaluation completed by construction staff to assess problem areas of the home that could interfere with the homeowner's ability to remain safe and independent in their home.

Eligibility Requirements:

- Applicant must be the homeowner
- Home must be owner occupied
- Property must be a single-family residence
- Income must be below the current AMI Guidelines based on household size: 100% is authorized for individuals with a disability
- Funding source may require additional information
- Property must be in Fayetteville Area Habitat for Humanity area of operation

NOTE: Disaster Repair Program is a separate policy

Section 1—Qualifying Home Repairs:

Health and Safety Concerns included, but not limited to:

- Unsafe roofing or flooring
- Lack of heat
- Electrical hazards
- Plumbing hazards

Weatherization:

- Work done to improve the energy efficiency and indoor air quality of a structure
- Scope defined by comprehensive energy audit
- Includes testing on the home upon completion and homeowner education component

Home Preservation: Exterior work that includes painting, minor repair, landscaping and replacement of exterior building materials for maintaining good / sound conditions.

Home Repair:

- Interior work and extensive exterior work performed to address health and safety issues or code violations
- Includes the following on existing structures:
 - Change to or repair of materials or components
 - Reconfiguration of space
 - Home modifications to assist with disabilities (access ramps, hand rails, etc)
 - Installation or extension of plumbing, mechanical or electrical systems

Home Repairs do NOT include:

- Remodeling of home layout (unless for health and safety issues)
- Cosmetic repairs
- Replacing carpeting or flooring (unless for structural reasons)
- Window replacement (unless current windows are rotted or contain lead)
- Bathroom renovations or remodels (unless for accessibility issues or as needed following plumbing repairs)

Section 2—Repair Costs, Pricing, and Payments:

One of the foundational principles of Habitat is that we provide "a hand up, not a handout." The Habitat model, which requires payment for construction services by the recipient of those services, helps Habitat homeowners develop a stronger sense of ownership of their homes, whether new or repaired. Homeowner contributions also help make work sustainable and organizational growth possible.

Payment agreements for home repairs are more flexible than traditional mortgage agreements. The length of payment agreements is generally not more than 1-3 years and the payment agreements, in addition to homeowner's existing housing costs, is not to exceed 30% of income.

When taxpayer funds are used to pay for repairs and the funding entity does not allow for the taxpayer to be charged (e.g., CDBG, HUD, DOE) and provides full funding for services, then cost recovery from the homeowner is not required. This is NOT at the donor's discretion.

To determine the amount a homeowner will pay for any repair, the affiliate will determine the cost of the project. Knowing the cost allows the affiliate to budget and plan the repair program. It is important to realize that "cost" is more than just out-of-pocket expenses.

Determining costs include:

- The cost of purchased building materials
- The value of donated building materials and donated professional services.
- The cost of professional services and contracted labor.
- Direct costs of affiliate time and labor in performing, supervising or coordinating the work.
- Permits and other direct costs (including but not limited to transportation, material storage and insurance).
- Indirect costs such as staff time and affiliate overhead. Note: this should be a reasonable estimate of overhead costs.

Once the full cost of the project is determined and funding is determined (through grants and donations), a price can be assigned to the homeowner. Several options for pricing models are described below.

Payment and Pricing Models:

All qualifying homeowners will pay a fee that is determined by their income level and cost of repairs /insurance proceeds (as applicable). If desired, homeowner may "buy down" their fee by volunteering sweat equity over and above the work on their own home.

<u>Additional Sweat Equity</u>	
# volunteer hours	Available Discount
10	\$150
20	\$300
30	\$450
40	\$600
50	\$750

\$15/hour up to maximum per category

If the homeowner is still unable to pay the fee due, a payment plan of monthly installments for a term not to exceed 12 months may be established on a case by case basis.

FAHFH will use the model that best suits the needs and capacity of both the affiliate and partner families.

<u>Model</u>	<u>Description</u>
100% Cost	Affiliate provides a zero interest loan* to the homeowner to recover all costs, or the homeowner pays all costs up front.
Sliding Scale	Affiliate offers a sliding scale payment option based on household income. The homeowner repays a zero interest loan* for the cost based on their income.
Fixed Price	Affiliate determines a fixed price for repairs, for example \$500, and the homeowner pays that amount no matter the cost of the repairs.
Fixed Percentage	Affiliate determines a fixed percentage of the cost of housing repairs and the homeowner pays that amount.
Partnerships	Affiliate partners with a 3 rd party financier that offers the loan to the families, need to ensure that the loan is offered with 0% interest or the price should be reduced so that it is a 0% equivalent. One exception is USDA loans, which do have interest as a component.

The affiliate may use different models for different situations, but they must be applied consistently.

Subsidy:

The maximum subsidy that will be used for any single home is \$30,000. Subsidy in this case means funding provided by Habitat or any other agency. It does not include funding provided by the homeowner from savings or from insurance.

If the subsidy exceeds \$30,000, a forgivable lien will be placed on the home for 10 years. If the home is sold or refinanced prior to the expiration of the lien, it must be paid in full. The lien will be in the form of a recorded Donation Agreement.

The repair agreement will stipulate that once repairs have been made, the homeowner should insure their home (if not already in place) and if they do not, they will not be eligible for future repairs.

Additional requirements may be established by grant funding sources. Habitat will ensure these additional requirements are met for each funding source.

NOTE: The maximum subsidy and forgivable lien may be waived depending on available grant requirements and/or donated funding.

Section 3—Home Repair Step by Step Process

Step 1- Intake of application (See Tab A):

- Initial Review:
 - Single-family, detached houses only
 - Home must be within Fayetteville Area Habitat for Humanity area of operation
 - Applicant must own and occupy the home (name must be on title)
 - All property taxes must be paid in full
 - Proof of insurance (Required if home not paid off)
 - Proof of current income and mortgage payments. Income of homeowner(s) must fall at or below 80% of HUD median income to be approved (100% if applicant is a veteran or disabled).*
- Notification of acceptance or rejection
- Passes qualified applicants to the construction team and notifies applicant if there is a waiting list/ rough timeline estimate

*Income may be waived if repairs are due to a natural disaster (hurricane, tropical storm, etc) and funding grant / donation has no limitations. Refer to Disaster Recovery Program Policy.

Step 2- Construction and Leadership Review:

- Construction Team Manager/ Project Manager works with Director of Development for funding through the City/ County/ State grants and any other applicable grants and donations
- Construction Team conducts site assessment of property for scope of work (See Attachment B)
- Homeowner Agreement completed with homeowner (See Attachment C)
- Homeowner packet reviewed through leadership team
- Homeowner cases requiring more than \$20,000 in repair must meet with leadership team
- Coordinate with Volunteer Coordinator for volunteer event(s), if applicable

Step 3- Work Completed: Construction Site Supervisor/ Affiliate Project Manager

- Final assessment done with homeowner to include review final scope of work
- Request and coordinate for materials
- Coordinate subcontractor work (if needed)
- Coordinate prep work with volunteers (if applicable)
- Lead volunteers on site for workdays (w/ Volunteer Coordinator)
- Maintain schedules of worksites (multiple projects)
- Supervise/ Train AmeriCorps member (as applicable)

Section 4—Property Assessment Process

Purpose

Assessment for home repair is the process of observing, evaluating and categorizing construction deficiencies that detract significantly from the livability of the house. The first construction step of a home repair application is to assess what repairs or modifications are needed for the house. This document is intended to assist staff and volunteers in facilitating this process.

Scope

This process emphasizes identifying major construction flaws. Most notably, this means focusing on the condition of the roof and the floor and their associated structures. These are the two areas where residents are most likely to experience serious and negative conditions exposing them to risks.

To a lesser degree, the process should include assessing plumbing, electrical, HVAC facilities, windows, and exterior doors. Other areas of observation include possible insect or vermin infestation and the presence and condition of the insulation. Experience, as well as reference to site inspection sheets and reports, will guide the assessor in this area.

Generally, cosmetic or decorative conditions are considered to be outside the scope of a home repair project.

Communicate

Contact the applicant with the appropriate paperwork. The assessor will make phone contact with the applicant and arrange for a suitable inspection time. A brief phone discussion about the condition of the house is a good idea. If the applicant desires a family member or other person to be present for the inspection, it is good to determine this during the phone contact. The availability of an assessor, an assistant and suitable equipment should all be considerations when agreeing to an inspection time.

Preparation

An assessment kit, which includes a camera, flashlight, measuring tape, roof pitch tool and a large screwdriver. Additionally, a protective mask or respirator, coveralls, gloves, hat and kneepads are advised for at least one assessor or assistant. An appropriate-sized ladder is needed for attic access and roof inspection, as necessary. Determine the year the home was built. If it was built before 1978, you must comply with the EPA's Renovation, Repair and Painting Rule (RRP Rule).

If there are any extenuating or adverse structural, environmental or personnel matters relating to the specifics of the inspection, they should be made known to the inspection group at this time. The health and safety of the assessors must always be considered.

Meeting the Applicant

Many times your arrival and presence will be the applicant's first in-person contact with the organization. The assessor will want to represent Habitat with courtesy and decorum. A brief recitation of the application process is helpful for the applicant, who may well have questions. This would be the time to request permission to access the attic and crawlspace areas and to take any pictures that would augment written commentary. Do not make any decisions or judgments as to what repairs can be done. That is not appropriate at the assessment. It is important that the applicant understand that the visit is for information gathering only.

Age, health and money matters are usually issues for these applicants. The prospect of obtaining some help repairing their home's deficiencies can be quite emotional for them. Accordingly, please maintain respect for their expressions of emotions.

Walk-Through

After meeting the applicant, a room-by-room walk-through will tell a lot about the house and applicant. Bathrooms and kitchens are the most important areas for observing interior physical flaws or repairs. Generally, other living areas will not affect the construction assessment, but the walk-through can reveal aspects and characteristics of the applicant's daily living, which might be helpful with the assessment.

Component Observations

- Roof: The roof should be walked, the condition of the shingles should be observed, and the number of layers, pitch and penetrations should all be recorded. In the attic, spacing and size of rafters should be recorded (or presence of trusses noted). Note type and size of roof sheathing. Note details of attic insulation. Venting should be described, along with any other meaningful or adverse conditions observed.
- Floor: Upon entry to the crawlspace, we want to know the size and spacing of floor joists and the condition of band joists, pillars and special girders, if any. If there is question about these components meeting function or condition, a sketch with dimensions should be included in the report (and perhaps in the scope of work). Plumbing penetration areas should be closely observed to determine water damage presence and thus condition of subflooring. Insulation and vapor barrier presence and condition should be recorded. If there is standing water on grade, its origin should be determined. Usually, plumbing leaks or deficiencies or outside ground grade or slope characteristics are the sources.
- Windows and exterior doors: These areas show much wear over time, primarily because of weather and neglect. Wood rot, broken hardware and glass are the usual deficiencies. Suspected presence of lead paint on windows should be noted, particularly if young children live in the house.

- Plumbing: Basically, you are looking for leaks around bathroom sinks, toilets, tubs and showers. Kitchen sinks and washing machines are other possible sources. Inoperable drains or faucets should be noted.
- Electrical: Inadequate or outmoded wiring will be apparent when checking a representative number of wall outlets. A GFCI receptacle tester should be used, although most circuits will not be ground-fault circuits. This will give a good indication of service quality by indicating any open hot, neutral and ground wires. Many home occupants will be able to tell you where circuits are bad, particularly in the kitchen. Additionally, exterior service drops, attic and crawlspace junction balls, and service amperage should be observed and noted when evaluating electrical service. Inspection of the electrical panel should be made only by experienced personnel and when deemed necessary.
- HVAC: General commentary on the type of heat and relative age of heating units is helpful. In cold weather, some space or stove heating can constitute a safety hazard. Observe cooling and ventilation facilities available for hot weather.
- Specific access: As suggested above, attics, roofs and crawlspaces are most likely to be the problem areas and the probable reasons why the applicant initiated contact with Habitat. They have to be entered unless there is no physical point of entry or if access is unobtainable because of a blockage or safety reasons.
- Pull-down ceiling hatches or hatches that can be reached with a 6-foot ladder usually provide access to assess the attic and roofing substructure. Crawlspace access is required for viewing water damage to flooring, girders, joists, band joists and sill plates. The general condition of plumbing, wiring, insulation and environmental aspects also should be observed. House settling is a special problem requiring additional inspection capability.
- Difficulties: Crawlspaces are without doubt the most physically demanding requirement of the assessment process. Suitable clothing and equipment are required. It is strongly recommended that assessments are always made with a minimum of two assessors present, and no assessor should enter a crawlspace without another person in the immediate proximity of the crawlspace entry. Some crawlspaces have very restrictive height clearance; some have failing and depressed floor construction; some are blocked by the applicant's storage of personal gear; some have adverse environmental and safety conditions. These crawlspaces require special review and consideration regarding suitability of entry, weighed against the prospect of gaining pertinent information. Assessors should wear a proper respirator while inspecting the crawlspace.
- Measurements and pictures: Measurements are to be taken only if it is likely that a condition is to be scheduled for repair. This would include measuring square footage of roofing surface; pitch and description of roof style; commentary on roof hips and valleys; linear footage of any likely joist or band joist replacement; square footage of any flooring,

tiling and siding in question. These measurements are approximate order of magnitude, and while they would require further review and definition, they still can be quite meaningful for any repair plan that might be subsequently prepared.

- Pictures are meaningful if they show construction deficiencies that are being addressed in the body of the report. It is helpful if some identification system is employed (e.g., take a picture of the house's exterior, showing the house's street number.)
- Departure: The applicant will want to talk before departing, hoping to learn something of the findings and the potential for receiving help. The assessor can tell them of the general findings and what needs repair. They will appreciate this, as most of the applicants are not construction-savvy but will quickly become aware that they are getting nonbiased commentary. Do not overstep into areas of special expertise, and make no commitments of any repairs; that is not part of the assessor's role.
- Report: A report will be created which reflects the observations made during the assessment. The report is for the sole use of the approval team that has the responsibility for approving the homeowner's home repair application. The report is not to be issued to the applicant or to any municipal agencies, building code enforcement departments or private general contractors. The report will be filed by address in the repair folder on the P: Drive.

Attachments:

Tab A—Home Repair Application

Tab B—Homeowner Agreement