



# Revisions to CDBG/HOME Rehab Lending Guidelines

COMMUNITY DEVELOPMENT DEPARTMENT

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# Primary Objectives of the CDBG/HOME Rehab Program:

- ▶ Ensure living environments meet Minimum Housing Code (MHC);
- ▶ Correct conditions detrimental to public health, safety, and general welfare;
- ▶ Arrest deterioration of property and neighborhoods; and
- ▶ Preserve City's existing housing stock.

# Continuous Quality Improvement



- ▶ The department undertook an assessment of the Rehab program—including analysis of customer feedback.
- ▶ Conducted analysis of peer city programs.

# Most Urgent Needs Presented by Homeowners:

- ▶ Roofing and gutters
- ▶ Electrical
- ▶ Plumbing and Water Heaters
- ▶ Heating, Ventilation and Air Conditioning (HVAC)
- ▶ Structural/flooring

# Peer Cities

- ▶ Greensboro, High Point, Charlotte, Raleigh, and Durham contacted.
- ▶ Largely limit their rehab programs to repairs that might be considered urgent, emergency, or system failures.

# Benefits of Program Modifications:

- ▶ Reduces client debt and lien concerns;
- ▶ Expedites construction completion via reduced scopes of work and use of skilled/licensed tradespeople;
- ▶ Ensures MHC compliance – habitability of residences, and health and safety of occupants; and
- ▶ Ensures work completed in line with State Building Code through final inspections by City/County Inspections Division.

# Additional Benefits:

- ▶ Focus on major systems repairs reduces need for lengthy lien encumbrances; and
- ▶ Reduction of lien encumbrances from twenty (20) to ten (10) years better aligns with the cost of systems repairs.

# TURN Program

- ▶ Proposed modifications **DO NOT** impact the Transforming Urban Residential Neighborhoods (TURN) program, funded by City's Housing Bonds.
- ▶ TURN operates in *designated transitioning neighborhoods*: focus is on *housing preservation* and arresting neighborhood decline, encouraging and *leveraging private investment* to revitalize target neighborhoods, and *maximizing targeted impacts* of revitalization.
- ▶ The scope of the TURN program will remain broader than the CDBG/HOME Rehab Program.



# Summary

- ▶ Focus on five (5) systems repairs:
  - ▶ Roofing and gutters
  - ▶ Electrical
  - ▶ Plumbing and Water Heaters
  - ▶ Heating, Ventilation and Air Conditioning (HVAC)
  - ▶ Structural/flooring
- ▶ Reduce lien encumbrance (deed of trust) from twenty (20) to ten (10) years

# Questions and Discussion

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