



**Habitat for Humanity of Iredell County
Assistance Policy
For the 2011 Cycle of the
Urgent Repair Program**

What is the Urgent Repair Program? Habitat for Humanity of Iredell County has been awarded \$45,000 by the North Carolina Housing Finance Agency ("NCHFA") under the 2011 cycle of the Urgent Repair Program ("URP11"). This program provides funds to assist very-low and low- income households with special needs in addressing housing conditions which pose imminent threats to their life and/or safety or to provide accessibility modifications and other repairs necessary to prevent displacement of very-low and low- income homeowners with special needs such as frail elderly and persons with disabilities. A total of 25 households will be assisted under Habitat's URP11.

This Assistance Policy describes who is eligible to apply for assistance under URP11, how applications for assistance will be rated and ranked, what the form of assistance is and how the repair/modification process will be managed. Habitat Iredell has tried to design this URP11 project to be fair, open, and consistent with the its approved application for funding and with NCHFA's URP Program Guidelines.

The funds provided by NCHFA come from the North Carolina Housing Trust Fund.

THIS IS AN UNSECURED LOAN. IT IS NOT A GRANT TO HOMEOWNERS.

Eligibility To be eligible for assistance under URP11 applicants

- 1) must reside anywhere within Iredell County with the exception of Mooresville and own and occupy the home in need of repair
- 2) must have a household income which does not exceed 50% of the County median income for the household size (see income limits below)
- 3) must have a special need (i.e. be elderly, ≥ 62 years old, handicapped or disabled, a single parent with a dependent living at home, a large family with ≥ 5 household members or a household with a child below the age of six with an elevated blood lead level)
- 4) must have urgent repair needs, which can not be met through other state or federally- funded housing assistance programs

URP11 Income Limits for Iredell County

Number in Household	30% of Median (very-low income)	50% of Median (low income)
1	\$12,800	\$21,350
2	\$14,600	\$24,400
3	\$16,450	\$27,450
4	\$18,250	\$30,450
5	\$19,750	\$32,900
6	\$21,200	\$35,350
7	\$22,650	\$37,800
8	\$24,100	\$40,200

Selection of applicants Habitat has devised the following priority system to rank eligible applicants, determine which of them will be selected for assistance and in what order. Under this system applicants will receive points for falling into certain categories of special need and income. The applications will be ranked according to which receive the most points.

Priority Ranking System for Habitat for Humanity's URP11

<i>Special Needs (for definitions, see below)</i>	<i>Points</i>
Elderly Head of Household (62 or older)	4
Disabled Head of Household	4
Disabled or Elderly Household Member (not Head of Household)	3
Single-Parent Household (with one or more children in the home)	3
Large Family (5 or more permanent residents)	2
Elevated Blood Lead Level Child	2
<i>Income (See Income Table above)</i>	<i>Points</i>
Less than 30% of County Median Income	10
30% to 50% of County Median Income	5

Under NCHFA Program Guidelines, a minimum of 50% of households assisted must have incomes which are less than 30% of the area median income for the household size, and no household with an income exceeding 50% of the area median income will be eligible. This guideline will be adhered to strictly and will be the primary factor in the selection of those households to be assisted under URP11. *If all other factors are equal between applicants, they will be served on a first come, first served basis.*

Recipients of assistance under the URP11 will be chosen by the above criteria without regard to race, creed, sex, color or national origin.

The definitions of special needs' populations under URP11 are:

- *Elderly:* An individual aged 62 or older.
- *Disabled:* A person who has a physical, mental or developmental disability that greatly limits one or more major life activities, has a record of such impairment, or is regarded as having such an impairment.
- *Large Family:* A large family household is composed of five or more individuals; at least four are immediate family members.
- *Head of Household:* The person or persons who own(s) the house.

- *Household Member:* Any individual who is an occupant (defined below) of the unit to be rehabilitated shall be considered a “household member” (the number of household members will be used to determine household size and all household members are subject to income verification).
- *Occupant:* An occupant is defined as any immediate family member (mother, father, spouse, son/daughter of the head of the household, regardless of the time of occupancy); or non-immediate family member who has resided in the dwelling at least 3 months prior to the submission of the family’s application.
- *Single-Parent Household:* A household in which one and only one adult resides with one or more dependent children.
- *Child with elevated blood lead level:* a child below the age of six with an elevated blood lead level between 10 g/dl and 20 g/dl.

What is the form of assistance under URP11? Habitat Iredell will provide assistance to homeowners, whose homes are selected for repair/modification in the **form of a loan**. Homeowners will receive an unsecured deferred, interest-free loan, forgiven at a rate of \$1,000 per year, until the principal balance is reduced to zero.

What is the amount of the loan? The amount of the loan will depend on the scope of work necessary to address the identified imminent threats to life and/or safety, and that will be determined by the city’s rehabilitation specialist. There is no minimum to the amount of the loan; however the maximum life-time limit according to the guidelines of URP11 is \$6,000.

What kinds of work will be done? Only repairs that address imminent threats to the life and/or safety of occupants of the dwelling unit or accessibility modifications will be performed under Habitat Iredell’s URP. *It should be noted that all deficiencies in a home may not be rectified with the available funds.*

All work that is completed under URP11 must meet or exceed NC Residential Building Code.

Who will do the work on the homes?

In some cases, Habitat may use its staff and volunteers to complete a repair. Only those repairs that do not require special expertise (electrical, plumbing, HVAC, etc.) will be considered for self-contracting. Typically, these would be handicapped accessibility issues such as ramps, widening of doors, retrofit of bathrooms, etc.

In other cases, Habitat will utilize approved subcontractors. Habitat is obligated under URP11 to ensure that quality work is done at reasonable prices and that all work is contracted through a fair, open and competitive process.

A minimum of three approved sub-contractors will be invited to bid on each job, and the lowest responsive and responsible bidder will be selected for the contract. “Responsive and responsible” means the contractor (1) is deemed able to complete the work in a timely fashion, and (2) that the bid is within 15% (in either direction) of Habitat’s cost estimate.

What are the steps in the process, from application to completion? Now that you have the information about how to qualify for the Habitat Iredell's URP11, what work can be done, and who will do it, let's go through all the major steps in the process:

- 1. Completing an Application form:** Apply by contacting Ann Trent, Director of Family Services, at (704) 871-0409, extension 11. Proof of ownership and income will be required. Those who have applied for housing assistance from Habitat in the past will not automatically be reconsidered. A new application will need to be submitted.
- 2. Preliminary inspection:** Habitat's Director of Construction will visit the homes of potential loan recipients to determine the need and feasibility of repairs/modifications.
- 3. Screening of applicants:** Applications will be rated and ranked by the Habitat based on the priority system outlined on page 2. Household income will be verified for program purposes only (information will be kept confidential). Ownership of property will be verified along with other rating factors. From this review, the twenty-five (25) most qualified applicants will be chosen according to the priority system described above.
- 4. Applicant interviews:** Approved applicants will be provided detailed information on assistance, program repair/modification standards and the contracting procedures associated with their project at this informational interview.
- 5. Work write-up:** Habitat's Director of Construction will visit the home again for a more thorough inspection. All parts of the home must be made accessible for inspection, including the attic and crawlspace, if any. The owner should report any known problems such as electrical short circuits, blinking lights, roof leaks and the like. The Director of Construction will prepare complete and detailed work specifications (known as the "work write-up"). A final cost estimate will also be prepared by the Director of Construction and held in confidence until bidding is completed.
- 6. Formal agreement:** After approval of the work write-up, the homeowner will sign a formal agreement that will explain and govern the repair/modification process. This agreement will define the roles of the parties involved throughout the process.
- 7. Bidding:** The work write-up and bid documents will be mailed to a minimum of three sub-contractors who will be given one week in which to inspect the property and prepare bid proposals. The names of the invited contractors will be supplied to the homeowner. Each will need access to those areas of the house, in which work is to be performed, in order to prepare a bid.
- 8. Sub-Contractor selection:** Within 24 hours of the bid opening, after review of bid breakdowns and timing factors, the winning bidder will be selected. All bidders and the homeowner will be notified of (1) the selection, (2) the amount, (3) the amount of the Habitat's cost estimate, and (4) if other than the lowest bidder is selected, of the specific reasons for the selection.

9. **Execution of loan and contract:** The loan will be executed as well as the repair/modification contract. This contract will be between the contractor and the homeowner, with Habitat signing as an interested third party.
10. **Pre-construction conference:** A pre-construction conference will be held at the home. At this time, the homeowner, contractor and program representatives will discuss the details of the work to be done. Starting and ending dates will be agreed upon, along with any special arrangements such as weekend or evening work hours and disposition of items to be removed from the home (such as old plumbing, etc.). Within 24 hours of the pre-construction conference, Habitat will issue a "proceed order" formally instructing the contractor to commence by the agreed-upon date.
11. **Construction:** The contractor will be responsible for obtaining any required building permits for the project before beginning work. The permit must be posted at the house during the entire period of construction. The Director of Construction will closely monitor the contractor during the construction period to make sure that the work is being done according to the work write-up (which is made a part of the rehabilitation contract by reference) and in a timely fashion. Code Enforcement Officers will inspect new work for compliance with the State Building Code as required by the guidelines of URP11. The homeowner will be responsible for working with the contractor toward protecting personal property by clearing work areas as much as practicable.
12. **Change Orders:** All changes to the scope of work must be reduced to writing as a contract amendment ("change order") and approved by all parties to the contract: the owner, the contractor and two representatives of Habitat for Humanity. If the changes require an adjustment in the loan amount, a loan modification stating these changes in the contract amount must be completed by Habitat, and executed by the owner.
13. **Payments to contractor:** The contractor will be paid following inspection of and satisfactory completion of all items on the work write-up, as well as, the receipt, by Habitat, of the contractor's invoice and a release of liens, signed by all any sub-contractors employed on the job and by all material suppliers from whom materials for the job were purchased.
14. **Post-construction conference:** Following construction the contractor and the Director of Construction will sit down with the homeowner one last time. At this conference the contractor will hand over all owner's manuals and warranties on equipment. The contractor and Director of Construction will go over operating and maintenance requirements for any new equipment installed and discuss general maintenance of the home with the homeowner. The homeowner will have the opportunity to ask any final questions about the work.
15. **Closeout:** Once each item outlined in section 13 has been satisfied and the homeowner has signed a Certificate of Satisfaction, the job will be closed out.

How do I request an application?

Applications will be available beginning October 1, 2011. Once all loans are distributed, applications will no longer be available.

- Contact:
Ann Trent, Director of Family Services
1382 Shelton Avenue, Statesville NC 28677
704-871-0409, extension 11.
- Pick up an application at the Habitat Iredell offices at 1382 Shelton Avenue, Statesville NC 28677.
- Download an application at www.habitatiredell.org

Is there a procedure for dealing with complaints, disputes and appeals? Although the application process and repair/modification guidelines are meant to be as fair as possible, Habitat realizes that there is still a chance that some applicants or participants may feel that they are not treated fairly. The following procedures are designed to provide an avenue for resolution of complaints and appeals.

During the application process:

1. If an applicant feels that his/her application was not fairly reviewed or rated and would like to appeal the decision made about it, he/she should contact Ann Trent within five days of the initial decision and voice their concern. If the applicant remains dissatisfied with the decision, the detailed complaint should be put into writing.
2. A written appeal must be made within 10 business days of the initial decision on an application.
3. Habitat Iredell will respond in writing to any complaints or appeals within 10 business days of receiving written comments.

During the repair/modification process:

1. If the homeowner feels that repairs or modifications are not being completed according to the contract, he/she must inform the contractor and the Director of Construction.
2. The Director of Construction will inspect the work in question. If he finds that the work is not being completed according to contract, the Director of Construction will review the contract with the contractor and ask the contractor to remedy the problem.
3. If problems persist, a mediation conference between the homeowner and the contractor may be convened by the Director of Construction and facilitated by the Habitat Iredell's Executive Director.
4. Should the mediation conference fail to resolve the dispute, the Executive Director will render a written final decision.
5. If the Director of Construction finds that the work is being completed according to contract, the complaint will be noted and the Director of Construction and the homeowner will discuss the concern and the reason for the decision.

Will the personal information provided remain confidential? Yes. All information in applicant files will remain confidential. Access to the information will be provided only to Habitat employees who are directly involved in the program, the North Carolina Housing Finance Agency and auditors.

What about conflicts of interest? No employee of Habitat Iredell or member of the Board of Directors or entity contracting with the Habitat, who exercises any functions or responsibilities with respect to URP11 shall have any interest, direct or indirect, in any contract or subcontract for work to be performed with program funding, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. Relatives of employees, Board Members and others closely identified with the Habitat, may be approved for rehabilitation assistance only upon written permission from NCHFA.

What about favoritism? All activities under URP11, including rating and ranking applications, inviting bids, selecting contractors and resolving complaints, will be conducted in a fair, open and non-discriminatory manner, entirely without regard to race, creed, sex, color or national origin.

Who can I contact about URP11? Any questions regarding any part of this application or program should be addressed to:

Ann Trent
Director of Family Services
Habitat for Humanity of Iredell County
1382 Shelton Avenue
Statesville, NC 28677
(704) 871-0409, extension 11

Scott Loudermelt
Executive Director
Habitat for Humanity of Iredell County
1382 Shelton Avenue
Statesville, NC 28677
(704) 871-0409, extension 12

These contacts will do their utmost to answer questions and inquiries in the most efficient and correct manner possible.

This Assistance Policy is adopted this 31st day of August 2011.

*Iredell County
North Carolina*



President, Board of Directors





Notary Public

My commission expires 8/28/2013

**Habitat for Humanity of Iredell County
Urgent Repair Program
Procurement and Disbursement Policy**

PROCUREMENT POLICY

To the maximum extent practical, Habitat for Humanity of Iredell County promotes a fair, open and competitive procurement process as required under the North Carolina Housing Finance Agency's Urgent Repair Program (URP). Work under URP will be provided through a combination of Habitat Iredell staff and volunteer labor and/or the use of subcontractors for specialized trades as described below.

Staff and Volunteer labor

1. Habitat is responsible for procuring all material under the Urgent Repair Program in a fair, open and competitive process.
2. Work write-ups on each job and cost estimates will be completed by Habitat with materials broken down by line item. All URP work write-ups and cost estimates will be reviewed and approved by Habitat's Director of Construction and Executive Director prior to the job being bid.
3. Three to five suppliers shall be invited to bid annually on a Habitat-developed materials list that includes a sample of typical materials used for jobs that involve staff and volunteers. Habitat will make special efforts to include M/WBE businesses in this process. Habitat will select two suppliers that can be used over the course of the year. The lowest responsive and responsible suppliers shall be selected. "Responsive and responsible" means (a) the supplier is deemed able to complete the material request in a timely fashion, (b) the bid is within 15%, in either direction, of what Habitat has estimated the materials to cost, (c) there is no conflict of interest (real or apparent), and (d) the suppliers agrees as stated below.
4. Habitat will establish an account with the selected suppliers and detail all requested materials by unit. The supplier will bill Habitat directly.
5. Habitat staff will be responsible for signing for all material receipts from the suppliers and maintaining itemized materials invoices.
6. An itemized summary account will be supported by original source documentation such as itemized materials invoices in each client's file.

Subcontractors

1. Habitat is responsible for procuring all subcontracted services under the Urgent Repair Program in a fair, open and competitive process.
2. Habitat will maintain a pool of subcontractors by inviting area subcontractors to submit a bid for a sample job. Habitat will make special efforts to include M/WBE businesses in this process. There will be a sample job for each of the major trades for which Habitat needs to have a pool of subcontractors: plumbing, roofing, electrical, HVAC, gutters and insulation, masonry, concrete, tree

trimming, and others as needed. The lowest two to five responsive and responsible suppliers shall be added to the agency's pool for their specified trade. "Responsive and responsible" means (a) the subcontractor is deemed able to respond to a work order in a timely fashion, (b) their bid is within 15%, in either direction, of what Habitat has estimated the sample job to cost, and (c) there is no conflict of interest (real or apparent). Subcontractors must also have recent work inspected, receive favorable references from recent clients, submit proof of licensure (if needed) and insurance at the appropriate levels required by the agency, and not have a history of poor performance or responsiveness with Habitat

3. When it is determined that a particular job will require the use of a subcontractor, Habitat will, at its discretion (based on availability of the subcontractor, demands of the job, and recent history of performance) select a subcontractor from the relevant pool to engage for the job. Identified subcontractors will be provided with detailed work write-ups on each job and must submit a similarly detailed cost estimate for each job. The subcontractor will bill Habitat directly.
4. Any change to the original scope of work must be reduced to writing in the form of a change order to be agreed upon and signed by all parties to the original contract and two Habitat staff members.
5. Habitat reserves the right to reject any or all bids at any time during the procurement process.

DISBURSEMENT POLICY

1. All repair work must be inspected by Habitat's Director of Construction and the homeowner prior to any payments to contractors or subcontractors. If all work is deemed satisfactory and all other factors and written agreements are in order, payment shall be issued upon presentation of an original invoice from the contractor. Contractor should allow 25 business days for processing of the invoice for payment.
2. If any of the work is deemed unsatisfactory, it must be corrected prior to authorization of payment. If the contractor fails to correct the work to the satisfaction of Habitat staff, payment may be withheld until such time the work is satisfactory. (Contractors may follow the Urgent Repair Program Assistance Policy if a dispute occurs; however, contractors shall abide by the final decision as stated in the policy).
3. Habitat assures, through this policy, that adequate funds shall be available to pay the contractor for satisfactory work.
4. All contractors, sub-contractors and suppliers must sign a lien waiver prior to disbursement of funds.

This Procurement and Disbursement Policy is adopted this the 30th day of 11 2011.

Habitat for Humanity of Iredell County

BY: Jane Lambert, Executive Director

Attested by: Ann Trent

SUB-CONTRACTORS STATEMENT:

I have read and understand the attached Procurement and Disbursement Policy.

BY: _____

COMPANY NAME: _____

WITNESS: _____