

**HUNTINGTON COMMUNITY DEVELOPMENT AGENCY
REHABILITATION DEFERRED LOAN PROGRAM GUIDELINES**

GENERAL

The residential **DEFERRED LOAN** program will be administered by the Huntington Community Development Agency located at 100 Main Street, Room 309, Huntington, New York 11743. The DEFERRED LOAN program will be limited to those persons living on a fixed or low-incomes as outlined below.

All elected officials, department heads, deputy department heads, members of the Planning Board and Zoning Board of Appeals of the Town of Huntington, all such officials of the Incorporated Villages within the Town of Huntington, their relatives and business associates, are PROHIBITED from participating in this program.

All applicants are required to complete a detailed application disclosing the number of persons in the household, all sources of income and household debt. The application requires that applicants must attach documentation to support their statements in the application.

1. ELIGIBILITY REQUIREMENTS (August 2021)

Income limits for rehabilitation **DEFERRED LOANS** are the same as those income limits established by HUD (S.S. Department of Housing & Urban Development) for low-income assisted housing. The income limits for various sized households are shown below in actual dollars. These limits will be updated within 30 days of HUD notification of a revised income for this area.

ALL INCOME of the family unit or household **MUST** be included for determination of a deferred loan. Loan repayment is not required until the property is sold, title is transferred, or the property is refinanced. The **DEFERRED LOAN** will be a lien against the property.

HUNTINGTON COMMUNITY DEVELOPMENT AGENCY REHABILITATION 5% FIXED RATE LOAN PROGRAM GUIDELINES

GENERAL

The residential **5% FIXED RATE LOAN** program will be administered by the Huntington Community Development Agency located at 100 Main Street, Room 309, Huntington, New York 11743. The **5% FIXED RATE LOAN** program will be limited to those persons living on fixed or moderate-incomes as outlined below.

All elected officials, department heads, deputy department heads, members of the Planning Board and Zoning Board of Appeals of the Town of Huntington, all such officials of the Incorporated Villages within the Town of Huntington, their relatives and business associates, are **PROHIBITED** from participating in this program.

1. ELIGIBILITY REQUIREMENTS (August 2021)

Income limits for rehabilitation **5% FIXED RATE LOANS** are the same as those income limits established by HUD (U.S. Department of Housing & Urban Development) for moderate-income assisted housing. The income limits for various sized households are shown below in actual dollars. These limits will be updated within 30 days of HUD notification of a revised income for this area.

ALL INCOME of the family unit or household **MUST** be included for determination of a loan. The Agency will loan the homeowner the amount needed to complete the rehabilitation. After the work is completed, the owner repays the **LOW** interest loan in equal monthly installments in up to ten (10) years. Before the work begins, a loan repayment plan and payment note **MUST BE** negotiated by the homeowner and the H.C.D.A. There will be a lien against the property for the life of the loan. Should the property be sold, the title transferred, or the property refinanced, satisfaction of the loan would be necessary at that time.

DEFERRED LOAN GUIDELINES

FAMILY SIZE	MAXIMUM INCOME ELIGIBILITY REQUIREMENT
1	\$45,500.00
2	\$52,000.00
3	\$58,500.00
4	\$64,950.00
5	\$70,150.00
6	\$75,350.00
7	\$80,550.00
8	\$85,700.00

5% FIXED RATE LOAN GUIDELINES

FAMILY SIZE	MAXIMUM INCOME ELIGIBILITY REQUIREMENT
1	\$66,450.00
2	\$75,950.00
3	\$85,450.00
4	\$94,900.00
5	\$102,500.00
6	\$110,100.00
7	\$117,700.00
8	\$125,300.00

2. LENGTH OF OWNERSHIP

The applicant must certify his/her intention to continue to occupy the property for a minimum of three (3) years after the rehabilitation has been completed.

3. PROPERTY ELIGIBILITY

Only owner-occupied units will be eligible for rehabilitation loans. Single family and legal two (2) family units are eligible, only those units that have a legal accessory apartment (unless the Town of Huntington has issued a temporary accessory apartment special use permit) are permitted. No interest in other properties (exception: Vacation Time Shares). If you currently have a reverse mortgage on your home, you do not qualify for this program.

4. LOCATION

All units, which are located within the corporate limits of the Town of Huntington, shall be eligible for rehabilitation assistance. Depending upon the availability of funds, eligible applicants residing within predominately low and moderate-income neighborhoods in the township shall be given first priority in the award of loans.

5. CONDITION

At completion of rehabilitation units must comply with Section 8 Existing Housing Quality Standards.

6. ELIGIBLE IMPROVEMENTS

- Any improvement(s) required to bring the unit up to Section 8 Existing Housing Quality Standards and relevant Town Housing Codes.
- Any improvements resulting in substantial weatherization.
- Exterior painting.
- Heating Systems

All improvements must be physically attached to the property and permanent in nature.

7. INELIGIBLE IMPROVEMENTS

Improvements that exceed local code requirements are specifically **PROHIBITED**.

Improvements of this type include: additions or dens, carports and the like. They are **NOT** eligible improvements for the rehabilitation loan program.

8. AMOUNTS

DEFERRED LOANS: upon approval, the Huntington Community Development Agency will institute a lien agreement. Said agreement will be a lien against the property. Loan repayment is not required until the property is sold, the title transferred, or the property is refinanced.

5% FIXED RATE LOAN: upon approval, the Huntington Community Development Agency will institute a lien agreement. Said Agreement will be a lien against the property for the life of the loan.

After the work is completed, the owner repays the **LOW** interest loan in equal monthly installments in up to ten (10) years. Before the work begins, the homeowner and the H.C.D.A. must negotiate a loan repayment plan and a payment note. Should the property be sold, title transferred, or the property refinanced, a satisfaction of the loan would be necessary at that time.

9. SYSTEM FOR APPLICANT SELECTION

Applications are made available at the office of the Community Development Agency, 100 Main Street, Room 309, Huntington, New York, Monday through Friday 8:30 AM to 4:30 Pm on a “first come, first serve basis.” Special consideration may be given to senior citizens and handicapped persons not able to visit the office. Applications are also available by phone request or on line at: <http://www.huntingtonny.gov> (Click on Forms and Applications)

AN APPLICATION CONSISTS OF TWO PARTS:

PART ONE:

Financial Application and find finding of applicant eligibility for all applicants: To complete the financial application, applicants are to provide the following **CONFIDENTIAL** documents:

1. A copy of your mortgage, or if you have paid off your mortgage, then a copy of your satisfaction of mortgage. If your mortgage is not satisfied, you must be current on your payments.
2. A copy of your Certificate of Occupancy (CO), or a letter in lieu. If you do not have a CO or a letter in lieu, the Agency will need a survey of your property.
3. A copy of your Deed.
4. A copy of your homeowner's insurance. You must be current on your Homeowner's Insurance
5. **ALL FAMILY** members residing at the residence **MUST SUPPLY** a current year income tax statement and W-2's for the current year. If not required by law to file, a person must submit proof of social security, Disability, interest income pensions, annuities, etc.
6. Copies of all family members'/persons living in the home two most recent pay stubs.
7. Proof that the property taxes are paid up to date.
8. If an apartment is located on the premises you must have a Town of Huntington Temporary Accessory Apartment special use permit. Legal accessory apartments are allowed if either the owner or tenants are income qualified.

PART TWO:

In order to assist low to moderate-income families, all applications that are received by the Agency will be reviewed. Applicants will be reviewed and selected by the H.C.D.A. staff.

10. PRELIMINARY COST ESTIMATED AND CONTRACTING REQUIREMENTS

Preliminary cost estimates will be prepared by the Rehabilitation Staff and discussed with the owner (s) in detail prior to the preparation of a deferred or 5% fixed rate loan recommendation by the loan officer.

Individual consultations between the property owner and Rehabilitation Staff will be held to advise the applicant as to loan requirements and to assure that all proposed work confirms to program purposes.

In the event that all of the work outlined in the preliminary work write-up cannot be accomplished with the maximum amount determined, then the Agency will review the individual case and determine the amount and extent of the work that will be undertaken. Staff assistance will be provided in evaluating bids, estimates and proposals, awarding contracts, inspecting work and establishing payment schedules.

11. CONTRACTING REQUIREMENTS

The contract for rehabilitation will be let by the homeowner and the contractor. The Community Development Agency will be the third party to the contract, and will make the award of the contract to the lowest competitive bidder.

Contracts must not be signed with the contractor(s) prior to loan approval. All contractors must be licensed and insured (including any contractor's subcontractors). Contracting will be done on a competitive basis or with a minimum of two (2) estimates (when possible) and will

be approved by the homeowner. The Community Development Agency will prepare bid, estimate or proposal package, and review all such packages to determine if they are reasonable and responsive. The homeowner will award the contract to the successful bidding contractor(s) utilizing a Notice to Proceed, furnished by the Community Development Agency.

The Community Development Agency will make the final inspection of the completed work, account for the disposition of all approved expenditures, and authorize final payment to the contractor, in conjunction with the applicant.

12. CHANGE ORDERS

All change orders to a bid, and estimate or proposal specifications, will require the signatures of the contractor and the homeowner, prior to construction.

13. ACCEPTANCE PROCEDURE

In the event of any dispute between the property owner and the contractor concerning the completion of rehabilitation, the Huntington Community Development Agency will work with both parties to negotiate a satisfactory solution. If a solution cannot be found, the Agency will be the final authority on when the job has been satisfactorily completed.

14. COMPLIANT PROCEDURE

Complaints concerning the rehabilitation deferred loan program and the 5% fixed rate program shall be in writing and addressed to the Director of the Agency. A written response will be made within fifteen (15) working days.

Should the applicant not be satisfied with the Director's response, complaints can be made to the Agency's Chairman and the Agency Board. If the applicant is still not satisfied, complaints can be made directly to the U.S. Department of Housing and Urban Development (HUD).

Should a dispute arise between the homeowner and the contractor concerning the completion or quality of the work, the dispute will be mediated by the Agency. Should such mediation not result in an agreement between the parties, the Agency will make the final and binding

determination as to whether payment should be made or withheld. In any court action between the parties, the Agency may not be joined as a party, plaintiff or defendant, but shall be entitled to notice, and an opportunity to appear, and will be deemed as a third party beneficiary of any ward or judgment made in such action.