



The City of East Cleveland

"Working To Build a Better Community"



HOME PROGRAM / EMERGENCY REPAIR PROGRAM / PAINT ASSISTANCE PROGRAM QUESTION AND ANSWER

What is the HOME Program?

The program is the Home Investment Partnership Program. It was passed and started in 1990. Funds may be used to assist existing homeowners with the repair, rehabilitation or reconstruction of the owner-occupied units.

What type of repairs can be performed?

The program only allows funding to be utilized to correct code violations.

What are typical repairs/code violations that funding can be utilized for?

Funding can typically be utilized for the following exterior repairs:

Roof, gutters, paint/siding, windows, porches, lead remediation, and tuck pointing.

Funding can typically be utilized for the following interior repairs.

HVAC, hot water tank, plumbing, electric, stacks, and lead paint remediation.

What are the typical repairs funding can't be utilized for?

Funding typically can't be used for garages, replacing flooring ie. carpet, tile. If flooring or other items are demolished during the repair of a line item, it can be replaced. A good example of this is the program does not allow for your kitchen cabinets to be replaced, however if the cabinets have to be removed and can't be reinstalled properly, the cabinets can be replaced.

What is the difference in the HOME Program, Emergency Repair Program and Paint Program?

The HOME program allows for multiple line items to be corrected in the home. The funding source is Housing and Urban Development (HUD). The Emergency Repair (ERP) and Paint Assistance Program (PAP) utilizes a different funding source. That source is Community Development Block Grant (CDBG), and the program only allows for one (1) line item to be corrected for and emergency. The Paint Program allows up to \$1,000 for minor repairs to make the home acceptable to paint.

What are typical repairs that can be conducted utilizing the ERP?

Typical ERP line items include the roof, porch, HVAC, electric, and plumbing.

If I participate in one program, can I participate in the other program?

If you participate in the ERP or PAP, you can later participate in the HOME program. However, if you participate in the HOME Program first, you can not participate in the ERP or PAP afterwards.



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After I have participated in the HOME Program how long before I can apply for additional services.

Once you have participated in the HOME Program you must wait 10 years before submitting an application for additional services.

What is the typical criteria needed to apply for the HOME Program, or ERP / PAP?

An applicant must have lived in the residence (East Cleveland) at least 3 years prior to applying for the program. **The applicant must submit a full application. Partial applications will not be accepted.** For example if the applicant submits an application, but is missing one item it will be returned to the applicant until a fully complete application can be submitted.

What are typical items needed in the application?

Proof of income
12 month mortgage payment history (mortgage lenders most recent year end statement)
Mortgage deed
Property Hazard insurance
3 months of utility bills (gas & electric)
Photo ID (government issued)
Property must be free of liens
All mortgage payments and taxes must be current.

What other criteria is evaluated to determine if a resident qualifies for the program?

The resident first submit a full application. The next step is the resident must meet the income requirements. The last phase of determination is property eligibility. The repairs to the residents home can't exceed 95% of the value of the home. For example if the residents home appraises for \$65,000 the cost to bring the home up to code can't exceed 95% of that value, which would be \$61,750.
 $\$95,000 \times .95 \% = \$61,750.$

Who do I apply to?

The City of East Cleveland Department of Community Development.

Can the homeowner select their own contractor?

Yes, the homeowner can select their own contractor, and the City wants the resident to be involved. If the homeowner wants a particular contractor to bid on their project they have to go through the City of East Cleveland Community Development Departments HOME Programs preferred contractor RFP. The contractors bid must be within 10 % plus or minus of the engineers/specification writers estimate. City staff will assist with the procurement process and make sure the resident understands the submitted documentation.



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Is this a grant?

Yes, and no. This is a deferred loan, and after 5 years (senior citizens), or 10 years (non senior citizens) it transitions into a forgivable grant in the HOME Program. The purpose of the deferred loan in the HOME Program is to invest in rebuilding and maintaining the City of East Cleveland. By establishing a period of time that the homeowner must reside in the home ensures that the investment in the project is serving its intended purpose, and that is to invest in the City of East Cleveland residents.

What happens if a resident relocates, or passes?

A lien is placed on the home after the project has been closed out. For a project to be considered closed out it must be recorded in the county recorder's office. That is the date the lien is considered closed as it relates to the lien period. For example if the project investment was \$10,000, after each year \$2,000 would revert to a grant if a senior citizen. If a property owner relocates or passes the remaining balance would have to be settled. In the previous example of \$10,000, and if after 3 years the individual relocates \$4,000 would be the amount of the lien left on the property. The other \$6,000 would be a grant.

What is the interest rate of the deferred loan/lien?

There is no interest charged to the principal. The resident, or their heirs would only be responsible for the principal lien.

How long does the process take?

Once the Community Development Department has a fully completed application it takes approximately 3 weeks for the City of East Cleveland to bid the project, select a contractor, and enter into a contract with the homeowner, contractor, and the City of East Cleveland. This is known as a three (3) way contract. It takes approximately 2 weeks for the City of East Cleveland to complete all the necessary documentation, and for the contractor to pull all permits. The contractor has 45 days to complete the project once they have started. Therefore, once the applicant has submitted a completed application it should take approximately 12 weeks (4 months) for the project to be completed.

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