

POLICIES AND PROCEDURES



**NEIGHBORHOOD PRESERVATION PROGRAM
CITY OF MERIDEN, CONNECTICUT**

SEPTEMBER 2023

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A. PURPOSE AND PROGRAM SCOPE

The City of Meriden's Neighborhood Preservation Program was established in 1977 as an integral part of the City's revitalization strategy. Funded by the U.S. Department of Housing and Urban Development through the Community Development Block Grant, NPP offers housing rehabilitation to eligible Meriden residents.. The objective of this program is the recovery of Meriden's neighborhoods through housing rehabilitation.

This loan is a 0% interest deferred forgivable loan whereby the loan is deferred for 5 years at which time the loan is totally forgiven. Homeowners that sell or otherwise transfer the property within the 5-year loan period will be required to pay the full assistance, minus the cost of lead remediation. Hardship and inheritance transfers can be considered for further deferment or forgiveness on a case-by-case basis. Adherence to this policy will be a condition of the loan commitment and policy language will be included in the contract and loan documents.

The City of Meriden reserves the right to make revisions to this policy at any time.

B. FAIR HOUSING

The Neighborhood Preservation Program shall be implemented in ways consistent with the City's commitment to fair housing. No person shall be excluded from participation in, denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part with federal, local, or state funding. The Fair Housing Act prohibits discrimination in housing based on race, color, religion, sex, sexual orientation, creed, ancestry, national or ethnic origin, age, family or marital status, handicap or disability, or another arbitrary basis.

C. TERMS OF THE NEIGHBORHOOD PRESERVATION PROGRAM

i. Ownership and Property Title

Applicant(s) must hold title to and occupy the assisted property as his or her primary residence throughout the entire 5-year loan period. A Contract for Deed does not qualify as holding title or ownership of the property. Other forms of acceptable ownership include:

Inherited Property with multiple owners: Under this form of ownership, the applicant must demonstrate him/her as the owner-occupant of the property and that he/she is 1) low- income; 2) occupies the housing as his or her principal residence, and 3) pays all costs associated with ownership and maintenance of the housing (e.g., mortgage, taxes, insurance, utilities.) All persons on the Title who do not occupy the property must agree to sign an Affidavit acknowledging approval for the assistance to be provided and that they do not occupy the property (for the purposes of calculating household income).

Living (Inter vivos) Trusts: a living trust is created when the owner of the property conveys his or her property to a trust for his or her own benefit or for that of a third party (beneficiaries). The trust holds legal title and the beneficiary holds equitable title. The trustee is under a fiduciary responsibility to hold and manage the trust assets for the beneficiary. All beneficiaries of the trust must qualify as a low-income family and occupy the property as their principal residence. The contingent beneficiaries, who receive no benefit from the trust and have no control over the trust assets until the beneficiary is deceased, need not be low-income. The trust must be valid and enforceable and must ensure that each beneficiary has the legal right to occupy the property for the remainder of his or her life. A Living Trust is eligible under the following conditions:

- The beneficiary of the Life Estate or Trust must occupy the property

- The beneficiary’s household income must meet income criteria for the Neighborhood Preservation Program; and
- The beneficiary must meet all other conditions of eligibility for the program.

Ownership shall be evidenced and confirmed by review of a title report.

ii. Principle Residence

The property must be the applicant’s principle residence and must remain the applicant’s principle residence and continue to remain principle residence upon completion of the rehabilitation work through the end of the required 5-year loan period for the loan to be forgiven.

If the property is converted to a rental-only property and is no longer the homeowner’s primary residence within the 5-year loan period, the loan must be repaid immediately. To ensure compliance with this policy, tax records are internally reviewed annually.

iii. Eligible Structures (Dwelling Unit)

Single Family homes and multi-family homes (up to 4 attached units) are eligible for repair, in compliance with HUD’s 24 CFR 570.202(a) guidelines. Mobile homes are not eligible for Neighborhood Preservation Program rehabilitations.

iv. Property Taxes

The City of Meriden Economic Development Office will verify that all real estate and property taxes owed to the City of Meriden are current. Applicants that do not meet this criterion will not be eligible for assistance through the Neighborhood Preservation Program. Applicants who are in arrears will be given an opportunity to rectify back taxes/liens to participate in the NPP program.

v. Assessed Value of the Property

There are no tax abatement provisions within the NPP Program. Therefore, certain types of rehabilitation work may add to the assessed value of the property.

vi. Location

The property must be located within the city limits of Meriden.

vii. Homeowners Insurance

Homeowners insurance is required for the property being assisted by the Neighborhood Preservation Program. Applicants must have valid homeowner’s insurance prior to being approved for assistance through the City and must maintain property insurance throughout the duration of the loan period. A certificate of the homeowner’s insurance will be required annually. During the 5-year loan period, the City of Meriden must be listed on the insurance policy.

An exemption may be made if the insurance was denied due to an issue that will be resolved through the Neighborhood Preservation Program.

viii. Flood Insurance

If the property is located within the 100-year flood plain, the homeowners must provide evidence of flood insurance with the City of Meriden listed for the remainder of the 5-year loan period.

ix. Liquid Assets

Applicants must provide information about assets of the owner(s) of the property. For multi-family homes, this information will also be requested from the tenants. These assets include but are not limited to cash, balances in demand deposit accounts, equity, stocks, retirement account(s), pension funds, life insurance, personal property, and lump sum payments as part of the required income eligibility for the program.

To be eligible for the Neighborhood Preservation Program, the applicant's household must have less than \$50,000 in actual liquid cash and less than \$125,000 in cash value of assets (to exclude retirement accounts).

x. Previous Grant/Loan

The applicant(s) may apply for the Neighborhood Preservation program once during the 5 year-loan period. If an applicant has an outstanding loan within a 5-year loan period that has not matured to the full 5-years, they may not apply for a secondary NPP loan.

xi. Environmental Review

All properties approved to receive NPP funding must be reviewed and approved by city staff to ensure compliance with 24 CFR Part 58 environmental review requirements (please review CDBG and HUD guidelines for more information). Environmental determinations and records are to be kept with the project file by the Department of Economic Development.

xii. Lead Based Paint

All homeowners selected to receive the Neighborhood Preservation Program assistance will be required to comply with the US Housing and Urban Development (HUD) and City of Meriden lead-based paint hazard requirements related to assessment and remediation. Housing units built prior to 1978 will have a Lead-Based Paint Risk Assessment conducted. If the property to be assisted with Community Development Block Grant (CDBG) funding shows a presence of lead-based paint in the areas being rehabilitated, the scope of work will be evaluated to include remediation in these areas. Review by the Department of Economic Development will determine if the increase in costs put the project over maximum allowable budget. The EPA Renovate Right Booklet will be given to the homeowner to review information about lead paint and the removal of it. This booklet is required to be signed by the homeowner.

If a presence of lead is found in the household, the loan allows up to an additional \$15,000 for lead remediation outside of the \$25,000 for housing rehabilitation.

xiii. Temporary Relocation

Relocation is not considered part of this rehabilitation program except in the case of reconstruction if offered and/or safe lead-based paint remediation efforts. However, if an unanticipated event occurs which requires temporary relocation, such relocation shall be performed in compliance with the provisions of the Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970, as amended, and Section 104(d) and may be paid for using program funds as set out in the Temporary Relocation Policy Guide attached to this procedures manual. These guidelines apply to tenant-occupied units only, not to the owner-occupied units.

D. ELIGIBLE AND INELIGIBLE ACTIVITIES

Eligible Projects (in Order of Prioritization)

Please review the eligible projects listed below:

- Roof Replacement

- Mold Remediation
- Exterior Windows and Doors
- Heating and Air Conditioning System
- Electrical – including smoke detectors
 - Hard wired battery back detectors, but if budget does not allow battery smoke detectors at a minimum
- Plumbing
- Kitchen
- Interior repairs – ceiling and walls
- Miscellaneous Items
 - a. Interior doors
 - b. Floors
 - c. Gutters
 - d. Accessibility

i. Accessibility Improvements

Properties occupied by a disabled household member(s) qualifies for services aimed at removing architectural barriers under this program. Repairs or improvements increasing overall accessibility may be undertaken.

Eligible accessibility improvements include but may not be limited to:

- | | |
|--|-------------------------------------|
| ○ Grab bars | ○ Transitional floor coverings |
| ○ Zero-entry showers with seats | ○ Bathtubs with seats |
| ○ Replacement of doorknobs with lever action handles | ○ Interior Doors i.e. pocket doors |
| ○ Ramps | ○ Widening Doorways and Hallways |
| | ○ Toilet alteration or modification |

Reasonable accommodations will be made to meet homeowner needs based on the nexus between the homeowner’s disability and the improvement requested.

Please note: The City of Meriden’s Neighborhood Preservation Program does not allow for the inclusion of emergency repairs.

ii. Ineligible Projects

Ineligible activities consist of any unnecessary physical improvements, any repairs of a cosmetic nature, repairs to sheds, and repairs to garages or any structure not attached to the living unit. Free-standing appliances and luxury items are not permitted. Examples of luxury items include:

- Swimming pools

- Decks (unless posing a hazard)
- Patios and patio cover
- Room additions; hot tubs
- Fireplaces (unless posing a hazard)
- Custom cabinets and high-end appliances
- 5+ family homes (up to 4 family homes eligible)

Upgrades such as granite counters, hardwood flooring, and stone finishes are **not** allowed unless costs for such materials are priced equal to or less than the modest material finishes.

Landscaping is also not allowed except to protect the structural viability of the house, such as for drainage, or if required by local ordinance. Items done for beautification or energy efficiency must be in conjunction with a repair required for health or safety reasons.

Other ineligible activities include but are not limited to:

- Increasing the number of units on a property
- Detached garages and other detached structures
- Luxury finishes (such as marble, stone, staining, hardwood, etc.)
- Private Road improvements
- Garage door openers.

For more information on regulations, please refer to 24 CFR § 570.200 General policies or § 570.202, which further explains eligible rehabilitation and preservation activities.

E. APPLICATION PROCESS

i. Application Contents

The NPP Application are available as funds and program capacity allows. When funds are available, the application will be available.

A complete application consists of:

- Application Form, fully filled out and signed by the Applicant
- Copy of Valid Current Identification Card (Driver's License or State of Connecticut ID card)
- Birth Certificate for each household occupant under the age of 18 years
- Income Verification includes but is not limited to:
 - Employment: Verification of Employment (enclosed; make a copy for each working adult in the household)
 - Unemployment: current benefit statement from provider with benefit amount and frequency clearly listed
 - Social Security (SS/SI): Monthly benefit statement from the Social Security Administration dated in 2021
 - Child Support: copy of court order
 - Copies of the last two (2) years of tax returns, if self-employed
 - Other: any third-party verification for all other income

- Asset Verification includes but is not limited to:
 - Two (2) most recent months of complete bank statements for **each open account** (checking, saving, and/or money market account) for **each occupant** 18 years and older.
 - Other: third-party verification for each asset type(s) above that applies to your household
- Verification of Mortgage
- Copy of Recorded Deed
- Copy of Homeowner’s Insurance Declaration Page
- Proof of residency: most recent utility billing statement
- Note: property taxes must be current (local tax search will be performed by City staff)
- Proof of Flood Insurance if property is located within flood plain

ii. Application Intake

All telephone, walk-in, electronic and mailed inquiries for the NPP shall be referred to and handled by the intake staff. Following receipt of an initial inquiry, the following intake/initial screening procedures shall be followed:

- a) Upon receipt of any inquiry regarding the NPP, the intake staff shall record the inquiry in the **Inquiry Listing**. The Inquiry Listing will be maintained in date order.
- b) For each inquiry, the city staff shall perform a pre-screening with the interested party for the purposes of preventing an applicant from wasting time by completing a full application if upon receipt the person would be immediately disqualified. For example, the person resides in an area that cannot receive City assistance. However, under no circumstances will an applicant be denied a copy of an application even if the person would be so disqualified.
 - For each inquiry, pre-screening will include a review of the following questions: Where is the subject property?
 - Is this property your primary residence?
 - Do you own your home? Is the title to the property recorded in your name? Are there any other names listed on the title?
 - Are you disabled or 62 years old or older?
 - How many adult persons (aged 18 and older) reside within your home?
 - Does your total household income equal less than (state the maximum income limits for the household size)?
 - Do you owe any unpaid property taxes? If so, are you under a property tax payment plan?
 - Is your home under threat of foreclosure?
 - Is the home a single family detached home or a multi-unit home? If multi-unit, how many units?
 - Is your mortgage a reverse mortgage?
- c) Following initial intake, the NPP Application Packet (“Application”) is mailed/provided to the prospective applicant, or, if the program is not currently accepting applications due to overwhelming demand/backlog or lack of funding, the person is noted on the **Inquiry List** to be contacted/sent an application when program capacity allows. Applications shall be sent out to applicants in date order of initial inquiry.

Please note: tenants will be asked to submit income and asset verification paperwork to ensure the Neighborhood Preservation Program is serving the appropriate community. (Refer to 24 CFR 570.208 Part 2B)

iii. **Wait List**

Assistance under the City of Meriden Neighborhood Preservation Program The OED shall maintain a: 1) **Inquiry List**; 2) **Interest List**; 3) **Intake List**; 4) **Pending Eligibility List**; and 5) **Approved List**.

- 1) **Inquiry List:** Persons who call/inquire about the program are placed on the Inquiry List in the date order received. As funds allow, persons on this list will receive an application via mail or office pick-up.
- 2) **Intake List:** Applicants that have returned/submitted an application. Applications that are incomplete will remain on this list and complete applications will move to the Pending Eligibility List. **Incomplete applications are maintained on the Intake List until such time all required documents are received. Applicants who remain on the Intake List for 90 days will automatically be placed on Inactive Status.**
- 3) **Pending Eligibility List:** Applicants who submit completed applications with all required documents that meet the initial screening criteria and initial feasibility assessment shall be placed on a **Pending Eligibility List in date order upon submission of all required documents.**
- 4) **Approved List:** Upon receipt of all verification forms and a completion of the eligibility and underwriting process, approved applicants will be removed from the Pending Eligibility List and placed on the **Approved List**. Only those persons placed on the Approved List are considered as approved and will be assisted in the order they are placed on the Approved List. To ensure the waiting list policy is adhered to, applicant inquiry, intake and approval dates shall be maintained in a Neighborhood Preservation Program database. The Office of Economic Development reserves the right to close all program lists and accept no further applications when the number of approved applicants exceeds a six (6) month wait for repairs to be completed, or where all funds have been exhausted.

In addition to the Pending Eligibility and Approved Lists, the City shall also maintain Inquiry and Intake Lists for the purpose of assessing program demand. The Inquiry List shall track all phone calls, electronic mail messages, referrals, and walk-in inquiries regarding interest in the program. The Interest List shall track all Applications sent/mailed out for assistance under the program whether completed, approved or not.

iv. **Application Review & NPP Staff Advisory Group**

Applications are initially reviewed by the Neighborhood Preservation Program staff for income and project eligibility, following the CDBG and HUD Federal Loan guidelines. Once the application is reviewed, it moves forward for discussion with the NPP Staff Advisory Group. This group is comprised of City Staff, including the NPP Specialist, Grants Administrator, City Attorney, Director of Planning and Zoning, a Housing Code Inspector, and the Building Official. The Advisory Group is responsible for making suggestions to the Economic Development Director, who makes the final decision on the approval of the application and work to be done.

The NPP Staff Advisory Group does not vote or make any decisions on any of the Neighborhood Preservation Program applications.

F. ELIGIBILITY REVIEW

i. **Preliminary Review**

Upon receipt of a completed Application, staff shall enter the applicant's information in the **Intake List** and evaluate the Application according to the following initial screening criteria and procedures:

IDENTIFICATION: Review identification for consistency with application information, tax records and other documents.

PREVIOUS ASSISTANCE: The applicant's name shall be checked against the list of previously assisted homeowners and homebuyers to determine if the applicant is under the 5-year loan period after receiving previous assistance.

LOCATION: Verify and confirm that the location of the applicant residence is within the city limits of Meriden. (Please see page 2, item B. for other location requirements/information)

FLOOD PLAIN: Determine if the applicant residence is located within a 100-year flood plain. If the residence is located in the 100-year flood plain, as determined by FEMA flood control map data, the homeowner must have proof of flood insurance with their application. If the homeowner cannot provide proof of flood insurance, the property is not eligible for assistance.

For all applicants that meet the initial screening criteria, the Intake Specialist shall prepare a file for the client and schedule an Initial Feasibility Inspection. **If the applicant fails to meet any of the initial screening criteria, a rejection letter is sent detailing the reason for denial.**

G. INSPECTION AND SCOPE OF WORK

Participant Preconstruction Requirements

Homeowners are responsible for movement or removal of items that will not be repaired and obstruct the contractor's access to perform repairs.

Debris removal and access are pre-construction requirements to program participation. Property owners will be required to clear the exterior and interior property site of all identified trash, debris, inoperable vehicles, and derelict structures prior to receiving program assistance that obstruct or inhibit the contractor from performing repairs, including but not limited to the moving furniture, appliances, or other personal items.

If work will be done on the interior of the home, there must be at least a 3 foot walkway to the area being repaired and a 3 foot perimeter around the area. All temporary items must be removed from the 3 foot perimeter before work can begin.

If the owner is elderly or handicapped and cannot physically clear the property or arrange for the removal of debris, referral will be made for the homeowner to seek assistance from volunteer groups and non-profits. Failure to move items that obstruct a contractor's ability to perform work within three (3) calendar days following the notice to proceed may lead to termination of assistance.

There will be a minimum of five (5) site visits to the property. The NPP Project Manager will coordinate these visits with the property owner(s) so that there is minimal inconvenience. These visits will include:

- a. The first site visit will be from the NPP Project manager who will schedule a meeting with the property owner to review rehabilitation work to be completed and draft a scope of services. If the property is a multi-family home, all units should be available for inspection. The City may also send a representative from the City of Meriden Building Department to inspect conditions at the property. Any Housing Code violations noted by the program's inspector will take a priority over all other repairs requested by the homeowner. If the program inspector did not participate in the initial site visit, they may make a separate appointment to inspect property violations as needed.
- b. The property must pass a Feasibility Inspection to confirm the feasibility that repairs will extend the life of home within the limits of available funding. Properties in need of substantial repairs beyond the available scope of the program will be deemed not eligible for assistance.

- c. If the dwelling was constructed prior to 1978, a Lead Based Paint Risk Assessment will be scheduled. If the property to be assisted with Community Development Block Grant (CDBG) funding shows a presence of lead-based paint in the areas being rehabilitated, the scope of work will be re-evaluated to include remediation in these areas. Review by the NPP Project manager will determine if the increase in costs put the project over the maximum allowable budget.
- d. Throughout the rehabilitation process, the NPP Project Manager will monitor the work being performed by the contractor. These visits generally take place while the contractors are on-site and are not intended to inconvenience the homeowner(s) or contractor
- e. At the end of the rehabilitation process, a representative from the City of Meriden’s Building Department will make a final visit to the site to ensure that construction/ rehabilitation meets the housing quality standards required by the City of Meriden and HUD. The property must pass a Feasibility Inspection to confirm the feasibility that repairs will extend the life of home within the limits of available funding. Properties in need of substantial repairs beyond the available scope of the program will be deemed not eligible for assistance.

ii. Eligibility Procedures/Review

- Review of Qualifying Documents

The underwriting and eligibility review process, as applicable, shall involve a thorough review of the following qualifying documents/information:

- | | |
|---------------------------|---------------------|
| -Application | -Verification Forms |
| -Proof of Ownership | -Proof of income |
| -Proof of Legal Residency | -Driver’s License |

- Income Eligibility

The applicant’s household income must not exceed 80% of the area median income as published by HUD*. Income is based on gross annual income over the next anticipated 12 months. An applicant’s income shall be assessed utilizing the definition of income as per the, Part 5. An applicant’s income eligibility shall be determined by comparison of the applicant’s household income including applicable asset income to the most current HUD published Income Limits. If an applicant’s household income does not exceed the HUD published income limits, the applicant shall be deemed as meeting the income eligibility threshold for the NPP.

**please view the definition of income under 24 CFR 570.3*

H. PROGRAM ADMINISTRATION

The NPP is primarily administered by the Office of Economic Development. The Office of Econ. Dev. is responsible for all aspects of program implementation including:

- Applicant Intake and Program Eligibility Determination
- Property Assessments
- Bidding
- Contractor selection
- Temporary relocation as needed
- Construction management
- HUD Monitoring

- Payment processing
- Final inspections

i. Contractor Selection

- An RFQ (Request for Qualifications) must be released through the City of Meriden's purchasing department to obtain a qualified pool of contractors for the Neighborhood Preservation Program. This process is required to be completed every 1-2 years.
- Following initial application intake and site visit by Economic Development staff and a detailed scope of services will be provided. It is anticipated that all projects will contain scopes of service totaling less than \$25,000.00. Therefore, the City will seek quotes from a minimum of three (3) qualified contractors.
- Contractors will be selected in accordance with the City of Meriden's purchasing policies, consistent with the requirements of 2 CFR Part 200.
- Contractor responses to bid notices must include, at a minimum, a write-up of the work to be performed and an estimate of cost, by line item or trade category, as per the scope of work, for the competitive, sealed-bid process.
- Following the bid close deadline, OED will select a qualified contractor using a closed bid process for each project. The Office of Economic Development will ensure compliance with local policies and issue an RX number and Notice to Proceed once they have obtained all necessary compliance documentation.
- Pursuant to 2 CFR Part 200, the City will not make any award or permit any subcontract to a party that is debarred, suspended or otherwise excluded from or ineligible for participation in federal assistance programs. The Office of Neighborhood Preservation will be responsible for monitoring contractor eligibility through www.sam.gov. All contractors selected for work on the Neighborhood Preservation Program are to be licensed, insured, and qualified to perform the rehabilitation work they are proposing. Proposals should address all the deficiency items in the scope of services in sufficient detail so that the Office of Economic Development may ensure compliance with local, state and federal standards.
- Efforts will be made to ensure that small minority - and women - owned business concerns are given opportunities to bid on, and receive, contracts related to work performed through the Neighborhood Preservation Program.

ii. Homeowner Work Authorization

Upon review of the scope of work prepared by the City of Meriden, the selected homeowner must execute a Homeowner Rehabilitation Agreement with the City and the Contractor detailing, amongst other things, the work to be performed at their home and an estimated cost of said work.

iii. Construction Agreement Signing

Once the application is approved, the applicant will execute the following loan documents:

- Homeowner Rehabilitation Agreement (referenced above)
- Open-End Mortgage Deed (with an owner occupancy requirement)
- Mortgage Note and Loan Agreement
- Various required mortgage disclosure documents

The Security Documents will be recorded on the City's Land Record Office. The City will be using its attorneys to prepare the documents. The office of Economic Development will explain the documents to the homeowner.

However, they represent the City and not the homeowner. It is recommended that the Homeowner retain an attorney to represent when signing these documents as needed. These documents are recorded within the City of Meriden's City Clerk's office.

iv. Construction Monitoring

The City of Meriden will conduct periodic site visits through the duration of the construction process to ensure that the work identified in the scope of services is being carried out in compliance with state and local code. Department of Housing and Community Development staff will inspect the work completed by the contractor with the owner on site to ensure the project is being completed within program guidelines and budget. Contractors will be responsible for obtaining all permits and required inspections from the City of Meriden Building Department.

v. Project Closeout

When all work is complete, a final inspection will be made by the OED Staff to ensure that work has been completed properly pursuant to local code and construction documents produced in connection with the contractor's bid on the project. Prior to release of final payment, all forms, reports, lien shall be in place.

If a project comes in under budget, encumbered but unspent Neighborhood Preservation Program funding will be returned to the Program and reallocated to another eligible project.

vi. Contractor Payment

- a. Contractor will be authorized to submit two draws for each rehabilitation project, one at 50% completion and one at 100% completion.
- b. The Office of Economic Development will review all invoices received from the Contractor, ensure work being invoiced for was completed and determine if invoice is eligible for payment.
- c. Approved invoices will be forwarded to the City of Meriden Economic Development Department for final approval and payment authorization. Per City of Meriden policy, contractors should expect payment no sooner than thirty (30) days from the date of an invoice and all required documentation is submitted to the City.

vii. Record Retention

OED will maintain all files related to the Neighborhood Preservation Program for the duration of the loan period, as well as for a period of four (4) years following the release of the five (5) year lien and the submission of the City's Consolidated Annual Performance and Evaluation Report in which the Neighborhood Preservation Program is reported on for the last time, pursuant to 24 CFR 570.502(a) (16).

All documents and files are kept in a secure, locked location within the City of Meriden's OED.

viii. Labor Requirements

Work performed on the Neighborhood Preservation Program is to comply with all local, state and federal labor standards, as applicable, and are to be included in all bid documents by City. Please review the City of Meriden's Comprehensive CDBG Policy and Procedures for more information on Labor Requirements.

ix. Final Action

- a. When all work is complete, a final inspection will be made to release the remaining funds in the Construction Account. Prior to release of final payment, all forms, Reports, lien releases, etc., shall be in place.

- b. This is the final step in the Rehabilitation Process.

I. REHABILITATION STANDARDS

Inspectors for the Neighborhood Preservation Program utilize the 2022 Connecticut Department of Housing's Residential Rehabilitation Standards booklet to address the Scope of Work for each project. The scope will

This is a minimum standard for all single-family housing in our service area. Where it is economically feasible, we want all housing to be:

- Reasonably free from fire and other hazards
- Comfortable, healthy, and well ventilated
- Decent appearing inside and out
- Inexpensive to heat and maintain
- Solid structurally and weather tight
- Reasonably equipped for current handicapped occupants

i. Compliance with Codes and Other Standards

- a. This standard equal or exceeds the Housing Quality Standards of the U.S. Department of Housing and Urban Development.
- b. This standard meets the requirements of the local building, plumbing and electrical codes as they pertain to existing housing, but not as they pertain to new construction.
- c. When a single room has its interior finish (plaster or wallboard) removed, the rehabilitation in that single room will meet new construction standards for plumbing, electricity, heating, and fire ratings. When such removal occurs in over 50 percent of the rooms in a freestanding building, this rule will apply to the whole building. Otherwise, the code for existing housing will prevail.
- d. Local and federal regulations pertaining to zoning, traffic, drainage, flood plains and fire limits will be observed.

Please review the 2018 CT ICC Building Code for more information.

J. LOAN FORGIVENESS

In accordance with the January 3, 2022 resolution passed by the City Council of Meriden, the Neighborhood Preservation Program is a forgivable loan that collects 0% interest for the 5-year loan period. Once the 5-year period has passed, the NPP loan is forgiven in full. Homeowners that sell or otherwise transfer the property within the 5-year loan period will be required to repay the full assistance, minus the cost of lead remediation. Hardship inheritance transfers can be considered for further deferment or forgiveness on a case-by-case basis.

At the time of loan expiration (exactly 5 years to date after the loan was granted), grantees will receive a notarized copy of the mortgage lien release and the Neighborhood Preservation loan release. Copies of these documents will also be recorded within the City of Meriden's Clerk's Office.