Housing Rehabilitation
For Homeowners

Total household income for all residents must be below the following amounts to be eligible:

<table>
<thead>
<tr>
<th>Number of Residents in Household</th>
<th>Total Income Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$45,750</td>
</tr>
<tr>
<td>2</td>
<td>$52,250</td>
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<tr>
<td>3</td>
<td>$58,800</td>
</tr>
<tr>
<td>4</td>
<td>$65,300</td>
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<tr>
<td>5</td>
<td>$70,550</td>
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<tr>
<td>6</td>
<td>$75,750</td>
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<tr>
<td>7</td>
<td>$81,000</td>
</tr>
<tr>
<td>8</td>
<td>$86,200</td>
</tr>
</tbody>
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Eligibility Requirements

- Meet income guidelines (see chart).
- Ability to repay debt (credit history, debt & income review).
- Home must be principal residence of all owners. [Rental & investment properties are not eligible]
- Mortgage, taxes and homeowners insurance must be current.
- No open judgments recorded against the property. No judgments/collections on credit report without a payment plan in place.
- Homeowner must not have received a full rehab from the City’s Owner Occupied Rehab Program or assistance from HOME Down Payment Assistance in the past 10 years.
- Environmental/historic review may be required.
- Homes built before 1978 may require testing for lead hazards.
- Verification of all information submitted by applicant.
- Homeowner will be required to relocate during the rehabilitation.

How Do I Apply?

Contact Community Development at 865-215-2120. A Housing Program staff member will ask for certain information over the phone to determine participant eligibility. Upon initial screening, participants will be mailed a pre-screening application to complete and return or be placed on the waiting list if necessary. After the pre-screening application is reviewed, the applicant will be contacted and an appointment will be made to take the full loan application.

Revised 6/8/2022
The Housing Rehabilitation Program offers financial and technical assistance for low-to-moderate income homeowners to make repairs they otherwise could not afford. The loan terms are based on participant income and ability to pay. We have several ways to make expensive projects affordable:

**Direct Loans**
- 1% interest City loan with a 20-year term.

**Deferred Payment Loans**
- Forgiven or reduced in value by 10% each year over a 10-year period as long as participants reside in and own the property, maintain property taxes, keep homeowner’s insurance, and keep Direct Loan in good standing.
- No monthly payment required as long as program requirements are met.
- Used in combination with a payable loan if needed to make project affordable.
- Maximum deferred loan $60,000.

**Grants**
- Lead Based Paint Remediation
- Energy Star (Replacement Homes Only)
- Relocation

*Approval guidelines are subject to change.*

Housing Rehabilitation Program funds are used to bring the home up to Community Development Neighborhood Housing Standards. These standards include:
- Correcting code violations.
- Making the home more energy efficient including Energy Star Certification on all new replacement homes.
- Repairing major systems such as heating, electrical, plumbing, and roofing.
- Making necessary repairs to indoor and outdoor surfaces such as floors, walls, and siding.

In some cases, the cost of rehabilitation of the home is unreasonable compared with the cost of constructing a new home. In this case, participants may be eligible to use the financing to build a new replacement home on the existing lot.

The homeowner will select and contract with a licensed General Contractor who will perform the rehabilitation work. The City keeps a list of contractors who have been approved for the program. Participants may have the job put out to bid to these contractors or select a specific contractor subject to a review and acceptance of the contractor’s qualifications by the Community Development Department.

**Contractor Qualifications**
- Home Improvement License or Contractor’s License
- Credit Review
- Proof of insurance, including worker’s compensation
- References
- Meet Community Development Dept. contractor criteria

(To join the City’s list of qualified contractors, call 865-215-2120.)