

NORTH BRUNSWICK HOUSING REHABILITATION PROGRAM OPERATING MANUAL

The following Operating Manual has been prepared to provide operating procedures and guidelines for administration of this program in accordance with regulations promulgated by the Council on Affordable Housing

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A. INTRODUCTION

The North Brunswick Housing Rehabilitation Program has been designed to eliminate code violations and blighted conditions in single family and multi-family homes consisting of four or fewer units that are occupied by lower income households residing in North Brunswick. The program will be referred to as the North Brunswick Housing Rehabilitation Program (HRP).

The HRP will be administered by the North Brunswick Housing Corporation (NBHC) which has been formally designated as the township's Administrative Agent.

This Housing Rehabilitation Program Operating Manual has been prepared to assist in the administration of the program. This manual will serve as a guide to program staff and applicants.

This Operating Manual describes the basic content and operation of the program, examines program purposes, and provides the guidelines for implementing the program. It has been prepared with a flexible format allowing for periodic updates of its sections, when required, due to revisions in regulations and/or procedures.

This Operating Manual explains the various steps in the HRP. It describes the eligibility requirements for participation in the program, program criteria, funding terms and conditions, and the process utilized for cost estimating, contractor procurement, contract payments, record keeping and overall program administration.

B. FAIR HOUSING AND EQUAL OPPORTUNITY



It is unlawful to discriminate against any property owner or tenant making application to participate in the HRP with regard to race, creed, color, national origin, ancestry, age, marital status, affection or sexual orientation, familial status, disability, nationality, sex, gender identity or expression or source of lawful income used for mortgage or rental payments.

For more information on discrimination or if anyone feels they are a victim of discrimination, please contact the New Jersey Division on Civil Rights at 1866-405-3050 or <http://www.state.nj.us/lps/dcr/index.html>.

C. TYPES OF BUILDINGS ELIGIBLE FOR PARTICIPATION

In accordance with regulations promulgated by the Council on Affordable Housing (COAH), and consistent with needs identified by Township administrative personnel, the HRP will provide financial assistance to renovate the following types of dwelling units:

1. Single-Family, Owner-Occupied Dwelling Units (SODUs).
2. Renter-Occupied Dwelling Units (RODUs) that are situated in buildings with four or less residential units.

The criteria for program participation will vary depending upon whether the building is a SODU or a building with RODUs. SODUs are eligible to receive funding for rehabilitation work provided that the owner of the building is determined to be a lower income household.

Owners of buildings with RODUs ranging from one to four dwelling units do not have to be lower income households. Buildings with RODUs are eligible to receive funding for rehabilitation work as long as one or more of the households residing in the building is determined to be a lower income household. For a building with RODUs, the percentage of the cost covered will be limited to the percentage of units occupied by lower income households. For example, if one unit in a three unit building is not occupied by a lower income household, then funding shall be restricted to 66.7% of the total project cost.

The maximum assistance that can be provided is limited in accordance with established maximums per unit and per building as spelled out in the Financial Parameters section of this Operating Manual.

D. TYPE OF FINANCIAL ASSISTANCE

HRP will provide assistance in the form of a deferred loan whereby the principal amount of the loan will be reduced by 10% each year, so that the entire loan amount will be forgiven if the property owner complies with HRP regulations for ten (10) years.

E. INCOME LIMITS FOR PARTICIPATION

For a household to qualify as a lower income household, incomes must fall within the income guidelines established for Middlesex County by COAH or any other administrative agency that may promulgate regulations governing affordable housing in the future. These income limits are currently revised annually by COAH. The current income limits can be found in Appendix A.

There are no additional income considerations, as the deferred loan is not amortized monthly, but rather is only due and payable upon certain occurrences that trigger a payback. As a result, the percentage of income a household devotes to housing expenses is not considered in determining eligibility for funding.

F. FINANCING PARAMETERS

An eligible SODU can be provided 100% financing up to a maximum of \$30,000.

Buildings with RODUs can only receive funding up to 80% of the cost of the proposed improvements. The remaining 20% of the cost must be provided by the owner. The exception to this rule would be if the owner is also a tenant in the building and also a lower income household. In this case, up to 100% of the cost of the work could be eligible for funding depending upon the incomes of the other households in the building.

For buildings with between one and four RODUs, the maximum amount of funding available shall be \$20,000 per unit, with a maximum of \$50,000 per building.

Funding shall be provided in the form of a deferred loan whereby the amount of the loan shall be reduced by 10% for each year that ownership does not change after completion of the rehabilitation work and final approval and payment.

G. TOWNSHIP-WIDE PROGRAM

This program is not limited to any particular geographic area of the Township. While all properties must be located in North Brunswick Township, no neighborhood will receive priority over any other neighborhood.

H. PROGRAM AFFORDABILITY CONTROLS

1. Owner-Occupied Affordability Controls

On SODUs, the controls on affordability shall be in the form of a mortgage with a declining balance that is extinguished after ten years.

2. Renter-Occupied Affordability Controls

For buildings with RODUs, the controls on affordability shall also be in the form of a mortgage with a declining balance that is extinguished after ten years.

However, the mortgage for buildings with RODUs also requires the following:

1. Restricting the occupancy of lower income dwelling units to lower income households for the ten year mortgage period.
2. Establishing rents for lower income dwelling units at amounts that qualify as lower income rents.
3. Increasing rents only once each year in accordance with the rent increase promulgated by COAH or the NJ Department of Community Affairs.
4. Having a written lease (annual or month-to-month) for all lower income units.

I. SUBORDINATION

The Administrative Agent may agree to subordination of the deferred loan if a property owner is attempting to refinance their first mortgage and the mortgage company supplies an appraisal showing that the new loan plus the balance on the deferred loan does not exceed 95% of the appraised value of the unit. The deferred loan may also be subordinated to a reverse mortgage if the amount of the mortgage is limited to not exceed this 95% value.

J. ELIGIBLE PROPERTY IMPROVEMENTS

Housing rehabilitation funds may be used only for repairs or system replacements necessary to bring a substandard unit into compliance with municipal health, safety and building codes, to correct code violations and meet property maintenance standards, to eliminate a blighting influence in an existing neighborhood, or to provide handicapped accessibility improvements.

At least one major system must be replaced or included in the repairs, which include one of the following:

1. Roof.
2. Plumbing.
3. Heating.
4. Electrical.
5. Sanitary plumbing.
6. Load bearing structural systems.
7. Lead paint abatement.
8. Weatherization. (Building insulation for attic, exterior walls and crawl space; siding to improve energy efficiency; replacement storm windows and storm doors; replacement windows and doors.)

Determinations as to whether a major system is substandard shall be made by the Rehabilitation Specialist designated by the Administrative Agent to provide such Work Write-ups and Cost Estimates. Questions relative to whether a particular condition constitutes a code violation will be resolved after consultation with the Township Construction Official.

Additional related work may include, but not be limited to the following:

1. Interior trim work.
2. Interior and/or exterior doors.
3. Interior and/or exterior hardware.
4. Window treatment.
5. Sidewalk repair and replacement.
6. Interior stair repair.
7. Exterior step repair or replacement.
8. Porch repair.
9. Wall surface repair.
10. Painting.
11. Exterior rain carrying system repair.
12. Replacement of dangerous or broken sidewalks along the street and service walks leading to the building if it is determined by the Administrative Agent that the sidewalk or

service walk creates a tripping hazard or blighted condition in violation of the township's Property Maintenance Ordinance.

K. INELIGIBLE PROPERTY IMPROVEMENTS

Work not eligible for program funding includes, but is not limited to, luxury improvements (improvements which are strictly cosmetic), additions, conversions (basement, garage, porch, attic, etc.), repairs to structures separate from the living units (detached garage, shed, barn, etc.), furnishings, pools and landscaping. If determined unsafe, stoves may be replaced. The replacement or repair of other appliances is prohibited.

Rehabilitation work performed by a property owner himself/herself shall not be funded under this program. All rehabilitation work shall be performed by a contractor approved by the Administrative Agent.

L. REHABILITATION STANDARDS

Upon rehabilitation, all housing deficiencies shall be corrected and the unit shall comply with the New Jersey State Housing Code, N.J.A.C. 5:28. For construction projects that require the issuance of a Construction Permit pursuant to the Uniform Construction Code, the unit must also comply with the requirements of the Rehabilitation Sub-code (N.J.A.C. 5:23-6). In these instances, the more restrictive requirements of the New Jersey State Housing Code or the Rehabilitation Sub-code shall apply. For projects that require Construction Permits, the rehabilitated unit shall be considered complete upon issuance of a Certificate of Approval.

M. CERTIFICATION OF STANDARD UNIT UPON COMPLETION

All code deficiencies noted in the Work Write-up must be corrected, and rehabilitated units must be in compliance with the standards prescribed above upon issuance of a Certificate of Approval. The Rehabilitation Specialist will be able to certify that any building repaired in whole or in part with rehabilitation funds is free of any code violations because the Construction Official will have all building sub-codes inspect dwellings prior to preparation of the Work Write-up.

N. EMERGENCY REPAIRS

Any situation relating to a safety and/or health hazard for the occupants would constitute an emergency. The Rehabilitation Specialist will confirm the need for such work. When possible, three (3) estimates will be obtained for the "emergency" work. However, in emergency cases, the solicitation process outlined herein will not be followed. The eligibility of the applicant shall be determined prior to authorizing emergency repairs. An application for additional non-emergency work may be made in accordance with the procedures outlined in this Operating Manual. The combined funding for the emergency work and any additional work may not exceed the maximum program financing allowed herein.

O. OVERVIEW OF ADMINISTRATIVE PROCEDURES

1. Application Distribution

Applications for the Housing Rehabilitation Program shall be available at the following locations:

1. On-line at the Township of North Brunswick website at www.northbrunswicknj.gov.
2. The reception counter on the first floor and the Department of Community Development window on the second floor at the North Brunswick Government and Community Complex located at 710 Hermann Road.
3. The management office of North Brunswick Senior Housing located at 740 Hermann Road.
4. The reception counter at the North Brunswick Senior Center at 14 Linwood Place.

Applications will also be mailed out or e-mailed to potential applicants by calling 732-296-7122 or e-mailing nbsh1@prcgroup.com and requesting that an application be sent in the mail.

Property owners interested in participating in the HRP may submit applications to the Administrative Agent either in person or by mail. Applications may be dropped off in person at North Brunswick Senior Housing, 740 Hermann Road, weekdays between the hours of 9:00 a.m. and 5:00 p.m.

Applications submitted by mail should be mailed to the following address:

North Brunswick Housing Rehabilitation Program
c/o North Brunswick Housing Corporation
740 Hermann Road
North Brunswick, NJ 08902

2. Application Review

The application is designed to solicit all required information at the time of submission. Upon review of the application by the Administrative Agent, the applicant will receive a Notice of Incomplete Application if additional information or documentation is required. An application will not be considered complete until all required documentation has been submitted. The information requested will vary depending upon whether the application is for a SODU or a building with RODUs.

Applicants for rehabilitation funding for a building with RODUs must provide a list of tenants and the rents paid by each tenant. The applicant must also provide evidence of income eligibility for the occupants of the units. Required submission documents are spelled out herein.

Upon inception of the program, applications that are received within 30 days from the date of the public newspaper advertisement will be grouped together into a group referred to as the

Inception Group. At the conclusion of this 30 day Inception Period, the applications in the Inception Group will then be randomly assigned a number by random selection from a box. This selection shall be performed by the Administrative Agent and witnessed by the Municipal Housing Liaison.

Applications in this Inception Group will be processed based upon the random number selected.

All future applications received after the 30 day Inception Period shall be stamped with the date and time of receipt of the application, if it is hand-delivered, or upon opening of the envelope, if received by mail. The exception to this rule would be an application that requires emergency assistance. All applications received outside of the Inception Period shall be processed based upon a first-come, first-served basis.

A determination as to income eligibility must be made for the owner of a SODU. For buildings with RODUs, a determination of eligibility must be made for the tenants in each dwelling unit in the building. Documentation must be provided for all wage earners 18 years of age or older in the household.

Property owners of both SODUs and buildings with RODUs shall submit the following documentation along with their application:

1. Copy of the deed to the property.
2. Certification that property taxes and water and sewer bills are current.
3. Proof of property insurance, including liability, fire and food insurance, where necessary.

3. Determination of Eligibility/Ineligibility

If, after review of the income documentation submitted, a property owner is determined to be ineligible, the property owner will receive a Determination of Ineligibility from the Administrative Agent delineating the reasons for the determination of ineligibility. For SODUs, the property owner shall be determined ineligible if the property owner's income exceeds program income limits. For buildings occupied by RODUs, the property owner shall be determined ineligible if all tenants exceed program income limits. The Municipal Housing Liaison will review and sign off on all Determinations of Eligibility/Ineligibility.

As deemed necessary, the Administrative Agent will arrange for a title search of eligible properties entering the program. If professional staff has substantiated that an owner-occupant is income-eligible, and the title search is favorable, the Administrative Agent will issue a Certificate of Eligibility.

If the professional staff has substantiated that one or more tenants in a building with RODUs is income-eligible, the Administrative Agent will contact the property owner by phone and discuss the number of occupants who are income-eligible and the implications relative to the amount of funding that can be provided. If the property owner determines not to move forward due to limitations on the amount of funding available, the Administrative Agent will issue a

Confirmation of Withdrawal. If the property owner desires to proceed with the program, the Administrative Agent will secure a title search. If the title search is favorable, the Administrative Agent will issue a Certificate of Eligibility.

A Certificate of Eligibility shall remain valid for six months. If the property owner has not signed a contract for renovation work within six months of the date on the Certificate of Eligibility, the property owner will be required to re-apply for certification.

4. Processing of Applications in the Inception Group

Determining the order to process applications in the Inception Group shall be as specified herein.

All applications in the Inception Group shall be randomly assigned a number by lottery in accordance with the following procedures.

1. A ballot will be created in the name of the property owner.
2. Only one (1) ballot per property owner is permitted.
3. The ballot is not transferable and cannot be passed to any other person/applicant.
4. All ballots will be drawn by the Administrative Agent and numbered in the order of their selection. The drawing will be witnessed by the Municipal Housing Liaison.
5. Processing of applications will proceed in the order of the selection. Eligible properties will be inspected and have Work Write-ups prepared in order based upon their lottery number.
6. Funding will be offered sequentially in the order of lottery numbers if the property owner determines to proceed with the rehabilitation work.

5. Income Verification Process

The program staff shall require each member of an applicant household who is 18 years of age or older to provide documentation to verify their income, pursuant to the Uniform Housing Affordability Controls at N.J.A.C. 5:80-16.1 et seq. (except for the asset test). Income verification documentation should include, but is not limited to, the following for each and every member of a household who is 18 years of age or older:

1. Four current consecutive pay stubs [including both the check and the stub], including bonuses, overtime or tips, or if self-employed, a current Certified Profit & Loss Statement and Balance Sheet.
2. Copies of Federal and State income tax returns for each of the preceding three tax years - A Form 1040 Tax Summary for the past three tax years can be requested from the local Internal Revenue Service Center or by calling 1-800-829-1040.
3. A letter or appropriate form verifying monthly benefits such as:
 - a. Social Security or SSI – Current award letter or computer printout letter.

- b. Unemployment – Verification of unemployment benefits.
 - c. Welfare – TANF current award letter.
 - d. Disability – Worker’s compensation letter.
 - e. Pension income (monthly or annually) – A pension letter.
4. A letter or appropriate reporting form verifying any other sources of income claimed by the applicant, such as alimony or child support (a copy of the court order or recent original letters from the court) or education scholarship/stipends (a current award letter.)
 5. Current statements for savings and checking accounts (bank statements and passbooks) and income reports from banks or other financial institutions holding or managing trust funds, money market accounts, certificates of deposit, stocks or bonds (for brokerage accounts – most recent statements).
 6. Evidence or reports of income from directly held assets such as real estate or businesses.
 7. Interest in a corporation or partnership. Federal tax returns for each of the preceding three (3) tax years.
 8. Current information on real estate assets (Market Value Appraisal or Realtor Comparative Market Analysis, and a bank/mortgage company statement indicating the current mortgage balance. For a rental property, attach copies of all leases.

6. Payments That Are Considered Income.

The following is a list of various types of wages, payments, rebates and credits that are considered as part of the household’s income:

1. Wages, salaries, tips, commissions.
2. Alimony.
3. Regularly scheduled overtime.
4. Pensions.
5. Social Security.
6. Unemployment compensation. (You must verify the remaining number of weeks you are eligible to receive.)
7. TANF (Temporary Assistance for Needy Families).

8. Verified regular child support.
9. Disability.
10. Net income from business or real estate
11. Interest income from assets such as savings, certificates of deposit, money market accounts, mutual funds, stocks, bonds
12. Imputed interest from non-income producing assets, such as equity in real estate.
13. Rent from real estate is considered income after deduction of any mortgage payments, real estate taxes, property owner's insurance and any other operating expense
14. Any other forms of regular income reported to the Internal Revenue Service

7. Payments That Are Not Considered Income.

The following is a list of various types of wages, payments, rebates and credits that are NOT considered as part of the household's income:

1. Rebates or credits received under low-income energy assistance programs
2. Food stamps
3. Payments received for foster care
4. Relocation assistance benefits
5. Income of live-in attendants
6. Scholarships
7. Student loans
8. Personal property such as automobiles
9. Lump-sum additions to assets such as inheritances, lottery winnings, gifts, insurance settlements
10. Part-time income of dependents enrolled as full-time students
11. Court ordered payments for alimony or child support paid to another household shall be deducted from gross annual income

To calculate income, the current gross income of the applicant is used to project that income over the next 12 months.

8. Student Income.

Only full-time income of full-time students is included in the income calculation. A full-time student is a member of the household reported to the IRS as a dependent who is enrolled in a degree seeking program for 12 or more credit hours per semester; and part-time income is income earned on less than a 35-hour workweek.

9. Income from Real Estate.

If real estate owned by an applicant is a rental property, the rent is considered income. After deduction of any mortgage payments, real estate taxes, property owner insurance and reasonable property management expenses as reported to the Internal Revenue Service, the remaining amount shall be counted as income.

If an applicant owns real estate which is not to be used as rental housing, the Administrative Agent should determine the imputed interest from the value of the property. The Administrative Agent should deduct outstanding mortgage debt from the documented market value established by a market value appraisal. Based on current money market rates, interest will be imputed on the determined value of the real estate.

10. Records Documenting Household Composition and Circumstances

The following are various records for documenting household information:

1. Social Security records or cards. Either individual Social Security card or letter from Social Security Administration
2. Adoption papers, or legal documents showing adoption in process
3. Income tax return
4. Birth Certificate or Passport
5. Alien Registration Card

11. Appeals Relative to Eligibility

Appeals from decisions of the Administrative Agent relative to qualification for the program shall be made in writing to the Municipal Housing Liaison, North Brunswick Municipal Complex, 740 Hermann Road. If the applicant is still not satisfied with the decision, an appeal may be taken to the Appeals Committee of the North Brunswick Housing Corporation. A final appeal may be taken to the Executive Director of the Council on Affordable Housing (COAH), 101 South Broad Street, P.O. Box 813, Trenton, New Jersey 08615. The Executive Director's written decision shall be a final administrative action of COAH.

12. Work Write-Up/Cost Estimate Process

Once a property owner is determined eligible, the Administrative Agent will send a Certificate of Eligibility indicating that the property in question has been determined eligible for the HRP.

The Administrative Agent will contact the Construction Official, who will then arrange for inspections by all four building sub-codes in order to delineate all violations of the Rehabilitation Subcode. The Construction Official will compile the results of the inspections and submit a Building Code Violations Report to the Administrative Agent. HRP guidelines require that all building code violations be corrected upon completion of the rehabilitation work.

Upon receipt of the Building Code Violations Report from the Construction Official, the Administrative Agent will assign a Rehabilitation Specialist to inspect the entire residential property. The property owner must be available during normal business hours for the inspection. If the property contains RODUs, the property owner must make provision to provide access to all dwelling units and all other spaces in the building at the time of inspection.

The Rehabilitation Specialist will inspect the house, take photographs, and prepare a Work Write-up and Cost Estimate. The Work Write-up and Cost Estimate will include a breakdown of each major work item by category as well as by location in the house, containing information as to the scope and specifics on the materials to be used, as well as a cost estimate. The Administrative Agent will review the scope of work in the Work Write-up and the Cost Estimate with the property owner. The property owner must execute an Owner's Acceptance of Work Write-Up and Cost Estimate form in order for the process to proceed.

13. Contractor Solicitation/Selection Process

After the Work Write-up has been approved by the property owner, the Administrative Agent will submit the Work Write-up to a minimum of three and no more than five approved, pre-qualified trade contractors in each trade for submission of a proposal. The selection of contractors for solicitation of proposals will be from a rotating list to assure that all contractors are given a chance to bid on renovation work undertaken under the program. The Administrative Agent may submit Work Write-ups to general contractors, or may submit same to specialized tradesmen. The Administrative Agent will determine when it is appropriate to submit to a general contractor rather than to individual trades for proposals. The Administrative Agent will maintain a list of pre-qualified contractors who have been approved to perform work under the HRP. When proposals are received, the Administrative Agent will review all proposals submitted. The trade contractor with the lowest responsible price must be selected, except that the property owner may select a contractor other than the contractor with the lowest responsible proposal, with an understanding that the property owner shall pay the difference between the lowest price and the price of the selected contractor.

Prior to mailing out Work Write-ups, the property owner may indicate that he would like to solicit a proposal from a contractor who is not on the approved list. However, the Administrative Agent must pre-approve the contractor prior to submitting a Work Write-up for solicitation of proposals.

The Administrative Agent will discuss with the property owner all proposals submitted by the various trades. Upon agreement that the lowest proposals will be awarded the work, Construction Contracts will be prepared by the Administrative Agent for execution by the property owner and the Selected Contractors. A Mortgage and Mortgage Note shall also be sent to the property owner.

Upon receipt of the Construction Contract executed by the property owner and the Contractor, and the Mortgage and Mortgage Note executed by the property owner, the Administrative Agent will then call a Pre-Construction Conference. The time of performance is anticipated as follows:

1. Work must commence within fourteen (14) calendar days of the date of the issuance of the Construction Permit; and
2. The anticipated completion date is 30 days from commencement of work.

It is the responsibility of the Administrative Agent to secure all required permits from the Office of the Construction Official and to pay all required fees. Contractors will assist in filling out the required counter forms for each subcode.

14. Inspections/Payments/Change Orders

The Rehabilitation Specialist will make periodic inspections to monitor the progress of property improvements. This is necessary to ensure that the ongoing improvements are in accordance with the scope of work outlined in the Work Write-up. It is the contractor's responsibility to notify the Office of the Construction Official before closing up walls on plumbing and electrical improvements.

If it becomes apparent during the course of construction that additional repairs are necessary or the described repairs need to be amended, the Rehabilitation Specialist prepare a Change Order describing the work to be done. The property owner and the contractor will review the Change Order with the Rehabilitation Specialist, agree upon a price, and execute the Change Order. Additionally, if the property owner is not funding the additional cost, paperwork amending the financing documents will be executed reflecting the increase in the amount of financial assistance provided by NBHC.

The contract will permit up to two progress payments and a final payment for each contractor, although attempts will be made to keep the number of progress payments down to one for each contractor. Up to one third of the contract amount may be released in advance to the contractor if it is determined to be appropriate by the Rehabilitation Specialist.

The contractor shall submit a Request for Payment Form to the Rehabilitation Specialist. The Rehabilitation Specialist will review the Request for Payment and make a determination as to the amount of payment to release.

Final payment will be released once all final inspections are made, a Certificate of Approval is issued by the Construction Official, and the Rehabilitation Specialist prepares a Certificate of

Completion & Final Payment Form. The Rehabilitation Specialist will discuss any concerns that the property owner may have prior to determining to issue a final payment.

If a property owner objects to a payment that the Rehabilitation Specialist feels is warranted, the disputed payment can be appealed to the Municipal Housing Liaison for a final determination. The decision of the Municipal Housing Liaison will be final and binding upon both the property owner and the contractor. Upon notification by the contractor that all work is complete and a Certificate of Approval has been issued, a final inspection shall be conducted and photographs taken. The Rehabilitation Specialist, the property owner, and the necessary contractors, as determined by the Rehabilitation Specialist, shall be present at the final inspection to respond to any final punch list items.

15. Other Contractor-Related Procedures

Contractors can apply to the NBHC to be placed on the preapproved Contractors List. Contractors seeking inclusion on the list must submit references from at least three recent contracting jobs. Contractors must carry workmen's compensation coverage and liability insurance of at least \$100,000/\$300,000 for bodily injury or death and \$50,000 for property damage. Only licensed tradesmen will be permitted to perform specialty work such as plumbing, heating and electrical.

The approved Work Write-up will be submitted to the selected contractors by the program staff. Contractors must submit proposals within the time frame delineated in the Request for Proposal. The contract will be awarded to the contractor who submitted the lowest price proposal, provided that the Rehabilitation Specialist who drafted the Work Write-up believes that the work can be completed at the proposed price and that the price is reasonably close to the cost estimate. Proposal prices must fall within 15 percent of the cost estimate, unless the contractor can document to the Rehabilitation Specialist adequately that the cost of the job is appropriate. If the Rehabilitation Specialist recommends the awarding of a contract that is more than 15% above or below the Cost Estimate, said award must be approved by the Municipal Housing Liaison.

If the property owner chooses to utilize a contractor that has not submitted the lowest price, the calculation of assistance shall be based upon the low price proposal, and the property owner will be required to issue a check to the Administrative Agent for the amount of the difference in price.

P. MAINTENANCE OF RECORDS

The Administrative Agent shall maintain files on every property owner who applies for program participation.

Files that must be maintained on every applicant include, but are not limited to:

1. Application Form.
2. Income Support Documentation.
3. Certificate of Eligibility, Determination of Ineligibility, Notice of Incomplete Application or Confirmation of Withdrawal, as applicable.

Files that must be maintained for properties that had a Work Write-up prepared, include, but are not limited to:

1. Initial Inspection Checklist.
2. Photographs – Before.
3. Work Write-up/Cost Estimate.
4. Homeowners Insurance Policy.
5. Copy of Deed to Property.
6. Title Report.
7. Copies of Proposal Forms.

Files that must be maintained for properties moving forward with rehabilitation work include, but are not limited to:

1. Construction Contract.
2. Property Rehabilitation Agreement.
3. Recorded Mortgage/Lien Documents.
4. Copies of All Required Permits.
5. Contractor Request for Payment Forms.
6. Change Orders (if applicable).
7. Certification of Completion and Final Payment.
8. Photographs – After.
9. Certificate of Approval.

For each unit where either application processing, renovation work or the recapture of funds occur, the following information must be reported annually to the Municipal Housing Liaison:

1. Street Address.
2. Block/Lot/Unit Number.
3. Owner/Renter.
4. Income.
5. Final Inspection Date.
6. Funds Expended on Hard Costs.
7. Funds Recaptured.
8. Major Systems Repaired.
9. Effective Date of Affordability Controls (for rental units).
10. Date Affordability Controls Removed.
11. Reason for Removal of Affordability Controls.

Q. Program Marketing

The Administrative Agent will conduct a public meeting to describe the income qualifications and the application procedures of the HRP.

The Administrative Agent shall also place public advertisements in the Home News Tribune and the Sentinel newspapers, and provide a message on the local cable station.

For the term of the program, the Administrative Agent will request the Township of North Brunswick to include a flyer once a year with the tax bills, water bills or other regular municipal mailing to all residential property owners of buildings with one to four dwelling units. This flyer will inform property owners/mortgage companies about the program.

Program information and applications will be available at the municipal building, the senior center, North Brunswick Senior Housing, and on the municipal website.