

HOME IMPROVEMENT PROGRAM



2022

PROGRAM GUIDELINES

**PLEASE “RETAIN” A COPY OF THESE PROGRAM
GUIDELINES AFTER YOU SUBMIT THE APPLICATION AS IT
CONTAINS IMPORTANT PROGRAM INFORMATION**

Long Island Housing Partnership, Inc.

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Hauppauge, N.Y. 11788

631-435-4710

HOME IMPROVEMENT PROGRAM (HIP)

PROGRAM GUIDELINES

1. Purpose

The Long Island Housing Partnership will provide deferred forgivable loans to qualified single family homeowners. The property being repaired must be located in Nassau or Suffolk Counties and must be owner occupied. The purpose of the forgivable loan is to improve housing conditions and correct code violations to make the housing units safe, sound and sanitary. This program is available on a first-come, first-served basis.

2. Eligibility Requirements - Applicant

The applicant and co-applicant must satisfy the following criteria to be eligible for program assistance:

- Must be the owner of the property to be rehabilitated and have resided in the dwelling as their principle residence for not less than one year.
- Must be current on mortgage payments and all applicable property taxes.
- Must maintain homeowner's insurance covering structure replacement during the grant compliance period. Homes located in a flood zone must have flood insurance coverage during the grant compliance period.
- Ownership must be in the form of either a fee-simple title or a 99-year leasehold, and the title must not have any restrictions or encumbrances that would unduly restrict the good and marketable nature of the ownership interest.
- Owner cannot have more than \$15,000 in assets less outstanding debt; recorded on credit report.
- Homeowner cannot own any other properties.

3. Income Eligibility and Rehabilitation Assistance

Total annual household income must fall within the income limits described below:

Category I (80%)-Nassau County

To be eligible for rehabilitation assistance of up to \$34,945 the total household income cannot exceed the limits described below based on family size:

<u>Household Size</u>	<u>*Maximum Allowable Income</u>
1	\$81,400
2	\$93,000
3	\$104,650
4	\$116,250
5	\$125,550
6	\$134,850
7	\$144,150
8	\$153,450

Category II (100%)-Nassau County

To be eligible for rehabilitation assistance up to \$28,120 total household income cannot exceed the limits described below based on family size:

<u>Household Size</u>	<u>*Maximum Allowable Income</u>
1	\$102,500
2	\$117,100
3	\$131,750
4	\$146,400
5	\$158,100
6	\$169,800
7	\$181,550
8	\$193,250

Category III (120%)-Nassau County

To be eligible for rehabilitation assistance up to \$21,295 total household income cannot exceed the limits described below based on family size:

<u>Household Size</u>	<u>*Maximum Allowable Income</u>
1	\$123,000
2	\$140,550
3	\$158,100
4	\$175,700
5	\$189,750
6	\$203,800
7	\$217,850
8	\$231,900

*Please note the maximum allowable income includes all income such as overtime, bonuses, pensions, Social security, 401-K distributions, tips, etc. Your gross income cannot exceed the maximum annual income for your household size. LIHP must project the income that will be received for the upcoming 12-month period.

Category I (80%)-Suffolk County

To be eligible for rehabilitation assistance of up to \$35,300 the total household income cannot exceed the limits described below based on family size:

<u>Household Size</u>	<u>*Maximum Allowable Income</u>
1	\$81,400
2	\$93,000
3	\$104,650
4	\$116,250
5	\$125,550
6	\$134,850
7	\$144,150
8	\$153,450

Category II (100%)-Suffolk County

To be eligible for rehabilitation assistance up to \$28,475 total household income cannot exceed the limits described below based on family size:

<u>Household Size</u>	<u>*Maximum Allowable Income</u>
1	\$102,500
2	\$117,100
3	\$131,750
4	\$146,400
5	\$158,100
6	\$169,800
7	\$181,550
8	\$193,250

Category III (120%)-Suffolk County

To be eligible for rehabilitation assistance up to \$21,650 total household income cannot exceed the limits described below based on family size:

<u>Household Size</u>	<u>*Maximum Allowable Income</u>
1	\$123,000
2	\$140,550
3	\$158,100
4	\$175,700
5	\$189,750
6	\$203,800
7	\$217,850
8	\$231,900

*Please note the maximum allowable income includes all income such as overtime, bonuses, pensions, Social security, 401-K distributions, tips, etc. Your gross income cannot exceed the maximum annual income for your household size. LIHP must project the income that will be received for the upcoming 12-month period.

4. Assets

- Household assets include monies in savings or checking accounts, certificates of deposit, stocks and bonds, and the value of any real property, less outstanding debt.
- Combined household assets must be within the following guidelines:
- Household assets should be limited to \$15,000. The value of real (primary) property is not included when computing assets for home improvement projects.

5. Eligible Property

The property must be a pre-existing single-family residence located in either Nassau or Suffolk County. Eligible properties may include Townhouses, Condominiums and Manufactured Homes.

- Residences must have all applicable Permits/CO's in place at the time of application.
- Homes having second kitchens are not allowed.
- Homes having two (2) electric or gas meters are not allowed.
- Residences cannot contain any rental units.
- Property Taxes, Homeowners Insurance and Mortgages must be paid and reflect a current status at the time of application.

6. Residency Requirements

Applicants must occupy the property as their Principal Residence during the period of grant compliance.

7. Eligible Improvements

The Home Improvement Program is designed to correct basic housing conditions that are considered dangerous to health and safety and bring homes up to current energy efficient standards. Priority improvements include the following:

- Structural Repairs, such as foundations, beams, stairs, roofs, stoops, chimneys
- Replacements, such as plumbing, furnaces/boilers, water heaters, electric service.
- Weatherization, such as insulation, air sealing, storm windows and doors.

- Exterior upgrading, such as woodwork repair, siding, trim, etc.
- Interior Improvements, such as repairing floors, walls, ceilings, painting.
- Removal of architectural barriers, such as walks, ramps, wheelchair showers, etc.

All repairs will be made in accordance with New York State and Local Building Codes. First priority is given to repairs which eliminate health and safety hazards and which bring the house up to building code standards. Once the house is brought up to standard, a second priority may be included which could be directed toward repairing, preserving, or protecting the property.

8. Application Intake and Rehabilitation Process

Applicants will be selected from the Home Improvement Ranked Applicant Waiting List based on their ranking. Applicants will be required to complete and submit the Home Improvement Program application and all supporting documentation to determine their eligibility to participate in the program. All guidelines must be met. Only completed applications will be eligible for assistance.

- If it is determined that the applicant is eligible and the program can be of assistance to the homeowner, the Program Manager will provide the homeowner with a list of participating contractors. The homeowner can select a contractor from this list or the homeowner may select a contractor not on the list provided that the contractor is fully licensed, certified, has all of the proper insurance and agrees to adhere to the rules of the Home Improvement Program. LIHP must approve the contractor before work is started.
 - A letter will be sent to all eligible and ineligible applicants after a full review of the applicant has been conducted.
 - Every six (6) months of the date of income eligibility letter will be required to have their income eligibility recertified. The recertification process requires that the applicant resubmit copies of four (4) current consecutive paychecks, two (2) most recent consecutive bank statements, most recent retirement/investments statement for all accounts and federal tax return (if applicable) to determine that they still meet the eligibility requirements of the program.
 - After one year in the program and no HOME IMPROVEMENT work has been started on your property, you will need to reapply if the program is still open or wait until it opens up again.

- Once a contractor is identified, LIHP’s Construction Monitor (project architect) and contractor will conduct a walk- through of the home to determine the scope of the work, cost estimate and provide pictures. The scope of work, cost estimate and provided pictures will then be reviewed and approved by the Construction Monitor. Upon approval by the Construction Monitor and Program Manager the homeowner will enter into a contract with the selected contractor at the approved rehabilitation cost. Costs in the excess of the approved rehabilitation amount will be the responsibility of the homeowner.
 - Provide Condominium or Cooperative board procedures for work being conducted on the properties.
 - If the property is a Condominium or Cooperative you must submit all work scope approval letters from the board prior to work getting started.

- During construction, LIHP’s Construction Monitor will perform interim inspections to assure that work is being completed in accordance with local and state building codes. Inspections will be made as often as necessary to ensure that the work being performed is also in accordance with the terms of the construction contract.

- When work is completed, a final inspection is conducted by LIHP Construction Monitor, the contractor and the homeowner prior to final acceptance of the work.

- All payments will be released to the Contractor and LIHP Construction Monitor once all invoices and certificate of completion are received.

9. Structure of Financial Assistance

Program funds will be used to make forgivable loans, with a minimum compliance period of ten (10) years from date of final acceptance by the owner. However, the following applies:

This program’s rehabilitation loan is secured by a lien, is non-interest bearing and becomes due and payable upon change of title on the home due to sale of the home, death of the owner, or convert it rental property or if the owner refinances to take cash out. Part of the owner’s obligation is forgiven each year they live in the property as their principal residence.

10. COMPLIANCE PERIOD

<u>Period of occupancy of at least</u>	<u>But less than</u>	<u>Obligation to be repaid</u>
1 day	64 months	100 %
64 months	66 months	90 %
66 months	76 months	80 %
76 months	78 months	70 %
78 months	88 months	60 %

88 months	90 months	50 %
90 months	100 months	40 %
100 months	102 months	30 %
102 months	112 months	20 %
112 months	114 months	10 %
114 months	-----	0 %

A lien is placed against the property and is activated if the owner attempts to sell within the **ten year** compliance period. Loans must be repaid, in whole or in part if the property is sold during the compliance period, or if the dwelling is converted to rental property, or if the dwelling is abandoned. The amount of the lien filed will include an administrative fee and an architect fee.

11. Annual Recertification

For up to ten (10) years after rehabilitation of the home, a monitoring affidavit will be mailed annually to the program recipient to verify in writing that they are maintaining the following required guidelines:

- They are the current owners of the property or home.
- The property or home is being occupied as their primary residence.
- The property or home is insured and maintained in compliance with the terms of the Note(s) and Mortgage(s).
- No interest in property or home has been sold, rented or transferred.
- You must sign the affidavit, have it notarized and returned it to LIHP.

12. NOTE & MORTGAGE

The total amount of the **New York State Affordable Housing Corporation (AHC)** Note and Mortgage is \$40,000 for Category I households, \$32,500 for Category II households and \$25,000. A lien will be placed on the property to secure the AHC funds. Signing of the Note and Mortgage will take place at the Long Island Housing Partnership before any rehabilitation work can be started. Once all work has been completed the Note and Mortgage will be mailed out to be recorded. AHC funds will be allocated as follows:

NASSAU COUNTY

Category I

Rehabilitation	\$34,945
Program Delivery Fee	\$3,600
Construction Monitor/Architect Fee	\$1,000
Filing and Recording Fee	<u>\$455</u>
Total AHC Lien	\$40,000

Category II

Rehabilitation	\$28,120
Program Delivery Fee	\$2,925
Construction Monitor/Architect Fee	\$1,000
Filing and Recording Fee	<u>\$455</u>
Total AHC Lien	\$32,500

Category III

Rehabilitation	\$21,295
Program Delivery Fee	\$2,250
Construction Monitor/Architect Fee	\$1,000
Filing and Recording Fee	<u>\$455</u>
Total AHC Lien	\$25,000

SUFFOLK COUNTY

Category I

Rehabilitation	\$35,300
Program Delivery Fee	\$3,600
Construction Monitor/Architect Fee	\$1,000
Filing and Recording Fee	<u>\$100</u>
Total AHC Lien	\$40,000

Category II

Rehabilitation	\$28,475
Program Delivery Fee	\$2,925
Construction Monitor/Architect Fee	\$1,000
Filing and Recording Fee	<u>\$100</u>
Total AHC Lien	\$32,500

Category III

Rehabilitation	\$21,650
Program Delivery Fee	\$2,250
Construction Monitor/Architect Fee	\$1,000
Filing and Recording Fee	<u>\$100</u>
Total AHC Lien	\$25,000

Applications can be submitted through our secure document transmittals, dropped off or mailed to the Long Island Housing Partnership, Inc.

LOCATION OF OFFICE

Long Island Housing Partnership

Long Island Expressway (495) to exit 55, go to Motor Parkway (traffic light). Turn right onto Motor Parkway. Go to Marcus Boulevard. Turn right onto Marcus Boulevard at traffic light. Go to next traffic light and turn left onto Oser Avenue. LIHP offices are on the right at 180 Oser Avenue.

From the West you can take the Northern State Parkway to exit 46 (New Highway). Proceed straight past first stop sign and turn right onto Oser Avenue. LIHP office is approximately one mile on left at 180 Oser Avenue.

Long Island Housing Partnership
180 Oser Avenue, Suite 800
Hauppauge, New York 11788
(631) 435-4710

Fair Housing Laws will be followed. The LIHP staff is available to assist with the application, and answer questions about eligibility requirements. We also provide free mortgage counseling. If you have any questions regarding any of the guidelines or need language assistance including translation and/or oral interpretation services, please call the Long Island Housing Partnership at (631) 435-4710 before applying.

Disclaimer: It is understood that this is not an offer and that terms and conditions may be changed at any time by the Long Island Housing Partnership, Inc., and Affiliates. It is further understood that notices by the Long Island Housing Partnership, Inc., and Affiliates may be made in such manner as Long Island Housing Partnership, Inc., and Affiliates may determine, including solely by advertisement. It is also understood that application submittal is not a guarantee that you meet all program requirements to purchase a home.

Funding for this program is being provided through the New York State Affordable Housing Corporation.