



TOWN OF BABYLON COMMUNITY DEVELOPMENT'S

HOME IMPROVEMENT PROGRAM

2024 PROGRAM GUIDELINES

Applications will be accepted until 5pm on April 12, 2024

I. PROGRAM ASSISTANCE

The Town of Babylon Home Improvement Program provides no-interest, deferred payment loans to qualified low and moderate-income to three homeowners in the Town of Babylon.

The purpose of the loan is to improve housing conditions and correct housing code violations by repairing and rehabilitating health and safety hazards. The maximum loan is up to \$50,000 to correct substandard housing code violations and an additional \$15,000 lead abatement. There is no interest. **Payment of the loan is deferred until the property is sold, the title is transferred or the home is refinanced for cash out. Monthly payments are not required. The loan is secured by a mortgage placed against the property. Please be aware that refinancing your mortgage requires a subordination review by the Community Development Program or payback of funds, and home equity loans are not permitted.**

II. APPLICATION PROCESS

a) Applicants:

Applicants will be required to complete and submit the Town of Babylon 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. (a first-come, first-served basis).

The Program Manager will contact homeowners via email to advise them of funding availability.

If the Program Manager encounters material discrepancies and/or misrepresentations, and/or there are income, household composition or other important questions that can't be resolved, the Program reserves the right to deny assistance to the household. **Final approval to determine eligibility to receive assistance through this program is at the discretion of the Director of Community Development in Babylon Town.**

b) 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.

c) Household Selection

Households selected for participation in the Town of Babylon's Housing Rehabilitation Program are those determined eligible upon completion of process described in a), b) and c) above. All guidelines must be met.

III. BID SELECTION

If it appears that the program can be of assistance to the homeowner, an appointment will be made for the Consulting Architect to evaluate the existing condition of the house. A detailed work write-up is prepared, a Lead Based Paint Inspection/Assessment is ordered, as well as an environmental review and asbestos inspection.

The homeowner selects the contractor. Bids are solicited from at least 3 qualified licensed contractors. The program will provide a list of contractors to assist the homeowner. The homeowner may suggest a contractor to be included in the bidding process as long as the contractor is licensed, certified and has all of the proper insurances and adheres to the rules of the program. The Program will provide funds in the amount of the lowest acceptable bid. The Program Manager/Architect will conduct a walk thru of the house and attendance is mandatory for any contractor interested in bidding on the job. Sealed bids are returned to The Long Island Housing Partnership, Inc.

During the construction, interim inspections of the work performed will be conducted to ensure quality standards. When the work is completed, it is inspected by the Consulting Architect and the homeowners



prior to final acceptance of the work.

INCOME GUIDELINES

The maximum permitted annual **Household** income for all homeowners applying for the Town of Babylon Home Improvement Program **and** who reside within the Town of Babylon who have incomes at or below 80% of the median annual household income listed below may be eligible for the program. **Also note Residents will be served on a First-Come, First-Served Basis in which their application is received.**

<u>Household Size</u>	<u>Maximum Total Annual Income*</u>
1	\$86,200
2	\$98,500
3	\$110,800
4	\$123,100
5	\$132,950
6	\$142,800
7	\$152,650
8 or more	\$162,500

* Includes all income – overtime, bonuses, pensions, social security, 401K distributions, tips, etc. Total household income minus allowable exclusions cannot exceed the maximum annual income listed above for your household size. The Long Island Housing Partnership (LIHP) must project the income that will be received for the upcoming 12-month period. Tax returns will be required for all household members whose earnings will be used as part of the income qualification.

IV. CITIZENSHIP

The owner of the home must be either a U.S. Citizen or a Qualified Alien, as defined at 8 USC 1641.

V. ELIGIBLE IMPROVEMENTS

The Home Improvement Program is designed to correct basic housing conditions that are considered dangerous to health and safety. Also to 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.
- Modifications for the Physically Handicapped, such as walks, ramps, wheelchair showers, etc.

VI. ELIGIBLE HOUSING TYPES

Two Family Homes are not allowed. Only pre-existing **single-family residences** located within the Town of Babylon include the following:



- Town Houses
- Condominiums
- Manufactured Homes

PLEASE NOTE:

- Residences must meet all applicable Town of Babylon Building Codes;
- Residences must have all applicable Town of Babylon Permits/CO's in place at the time of application;
- Homes having second kitchens are not allowed;
- Homes having 2nd meters are not allowed;
- Residences **cannot** contain any rental units or any legal accessory apartments;
- No Home Equity Loans, Reverse Mortgages or Life Estates permitted;
- Property Taxes, Homeowners Insurance and Mortgages must be paid and reflect a current status at the time of application.

VII. RESIDENCY REQUIREMENT

Applicants must occupy the property as their Principal Residence. In the event that a homeowner sells, transfers title or discontinues residence in the rehabilitated property for any reason, the loan becomes due and payable.

VIII. ELIGIBLE AREAS IN THE TOWN OF BABYLON

All homes must be within the Town of Babylon, which consists of the following Hamlets and Villages:

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|--------------------------------------|--------------------|
| • AMITYVILLE | • LINDENHURST |
| • NORTH AMITYVILLE | • NORTH BABYLON |
| • BABYLON | • WEST BABYLON |
| • COPIAGUE | • WHEATLEY HEIGHTS |
| • DEER PARK | • WYANDANCH |
| • EAST FARMINGDALE-Suffolk
County | |

IX. LEAD BASED PAINT REQUIREMENTS

Homes built before 1978 are required to have a lead paint test done as a part of the application process once an applicant is accepted to the program and a scope of work has been approved. All costs are included in the fees assessed by the program to the homeowner and added in the loan amount. If the home tests positive for lead, certified lead contractors bid on the house to abate/encapsulate the lead in the home and a clearance test is performed after the work has been completed with a report provided to the homeowner.



X. CLOSING

You are required to attend a closing and sign 3 documents; Mortgage, Deferred Loan Agreement and Contract. The Town of Babylon Home Improvement Program consists of a deferred payment, non-interest mortgage/loan, which is to be repaid to the Town of Babylon if the home is sold or transferred at any time. A deferred loan agreement stating that there are no payments and a contract between you and the awarded contractor stating the work scope and rules that must be adhered to also must be signed. **Closing will take place at the Long Island Housing Partnership, Inc. located at 180 Oser Avenue-Suite 800 Hauppauge, NY 11788.**

XI. All applications are available online.

Before you make an application for entrance into this program, **read the guidelines** thoroughly to be certain that you qualify. **After being submitted, any changes to an application must be requested in writing and must be approved by the Program Manager.**

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.

