

CITY OF ARTESIA

**SINGLE-FAMILY HOUSING REHABILITATION
ASSISTANCE PROGRAMS
(Community Development Block Grant)**

PROGRAM DESIGN AND PROCESS



HCD Version 02/2019

CDBG Approved

CITY OF ARTESIA

HOUSING REHABILITATION PROGRAM GUIDELINES

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CITY OF ARTESIA

HOUSING REHABILITATION PROGRAM GUIDELINES

Adopted (November 5, 2018)

1.0. GENERAL

The above-named entity, hereinafter referred to as the “Program Operator”, has entered into a contractual relationship with the California Department of Housing and Community Development (“HCD”) to administer a HCD-funded housing rehabilitation programs. The rehabilitation program described herein and hereinafter referred to as the “Program” is designed to provide assistance to eligible homeowners for correction of health and safety items, as well as code violations, and other home repairs and improvements located within the City of Artesia. The Program provides this assistance in the form of deferred payment loans and grants used to finance the cost of necessary repairs that will provide the homeowner with a healthy, safe, sanitary and code compliant home, referred to herein as “housing unit”. The Program will be administered by City of Artesia Staff, hereinafter referred to as the “Program Operator”.

1.1. PROGRAM OUTREACH AND MARKETING

All outreach efforts will be done in accordance with state and federal fair lending regulations to assure nondiscriminatory treatment, outreach and access to the Program. No person shall, on the grounds of age, ancestry, color, creed, physical or mental disability, marital or familial status, medical condition, national origin, race, religion, gender or sexual orientation, be excluded, denied benefits or subjected to discrimination under the Program. The Program Operator will ensure that all persons, including those qualified individuals with handicaps have access to the Program.

- A. The Fair Housing Lender and Accessibility logos will be placed on all outreach materials. Fair housing marketing actions will be based upon a characteristic analysis comparison (census data may be used) of the Program’s eligible area compared to the ethnicity of the population served by the Program (includes, separately, all applications given out and those receiving assistance) and an explanation of any underserved segments of the population. This information is used to show that protected classes (age, gender, ethnicity, race, and disability) are not being excluded from the Program. A Fair Housing Marketing Plan can be found as Attachment D. Flyers or other outreach materials, in English and any other language that is the primary language of a significant portion of the area residents, will be widely distributed in the Program-eligible area and will be provided to any local social service agencies. The Program may sponsor homeownership education classes to help educate homeowners about credit, budgeting, predatory lending, foreclosure prevention and home maintenance, as well as future responsibilities.
- B. Section 504 of the Rehabilitation Act of 1973 prohibits the exclusion of an otherwise qualified individual, solely by reason of disability, from participation under any program receiving Federal funds. The Program Operator will take appropriate steps to ensure effective communication with disabled housing applicants, residents and members of the public.

1.2. APPLICATION PROCESS AND SELECTION

- A. Waiting List/Homeowner Contact

The Program Operator will utilize a waiting list. In response to a homeowner's request, the homeowner is placed on the waiting list. Homeowners are offered the opportunity to qualify for assistance by waiting list priority (a first-come, first served basis).

The Program Operator will contact homeowners by mail and/or by telephone to advise of funding availability. The homeowner has 30 days to complete and return the loan and/or grant application and supporting documentation. Should a homeowner fail to respond to the initial contact for assistance or to provide any of the required documentation within the 30-day period, the homeowner's name will be removed from the waiting list. If the homeowner desires assistance at a later time, he/she will be placed on the waiting list at that time.

Should the waiting list be exhausted, the Program will be marketed in accordance with the Operator's Marketing Plan. **See Attachment D.**

B. Application/Interview

An application packet is provided to the homeowner for completion and submittal to the Program Operator, along with supporting documentation. An interview is scheduled with the applicant. The Program is fully explained; application forms and documentation are reviewed. Verifications are obtained for income, assets, employment, benefits, and mortgage. Title report and appraisals are also obtained, if necessary.

If the Program Operator encounters material discrepancies and/or misrepresentations, and/or there is income, asset, household composition, or other important questions that can't be resolved, the Program Operator reserves the right to deny assistance to the household. In this case, the applicant may re-apply after six months have elapsed from the time of written assistance denial.

C. Household Selection

Households selected for participation in the Housing Rehabilitation Program are determined eligible upon completion of processes described in A. and B. above.

D. Initial Inspection/Work Write-Up/Estimate

Prospective units are inspected by the Program Operator or a certified housing inspector to determine eligibility and acceptability of properties for participation in the Program.

If the home is a pre-1978 unit, the initial inspection will also include paint testing by a certified Lead-Based Paint (LBP) inspector/assessor or presumption of LBP. Code deficiencies will be corrected and if presumption is used or lead hazards are found they will be properly treated according to HUD regulations (Section 6.1.E & F) and cleared by a certified LBP inspector/assessor. **CDBG projects shall refer to Chapter 20, Lead-Based Paint Requirements for guidance in the CDBG Grant Management Manual.**

Measurements and observations are noted about the property, including special conditions with potential cost consequences (dilapidated outbuildings, absence of curb and gutter when required by code, etc.). A floor plan and site plan, as needed, are drawn for the home and property, including all appurtenances.

Findings are noted on an inspection form, and later used by the Program Operator to prepare the work write-up. Estimated costs are determined by the Program Operator who has years of experience in the building industry, and in reviewing contractor bids and verifying cost with materials suppliers. The homeowner reviews the completed work write-up and cost estimate, and the approved write-up is incorporated into bid documents.

E. Bid Solicitation

A bid walk-through date and time are scheduled. The Program Operator will solicit bids on the homeowner's behalf. Invitations to bid are mailed to all eligible contractors on file in efforts to obtain three reasonable bids. Bid results will be provided to participating contractors.

Contractors must be licensed and bonded by the State of California Contractors Licensing Board. Contractors must also provide Program Operator with evidence of Workers' Compensation Insurance and Comprehensive General Liability and Property Damage Insurance with Combined Single Limits of at least \$1,000,000.

Cost reasonableness is determined by comparing the bids received with the cost estimate prepared by the Program Operator. Bids should be within 10% of the Program Operator's cost estimate, otherwise an explanation must be provided to the file for any bid selected exceeding 10% of the estimate. The homeowner is encouraged to accept the lowest reasonable bid.

The Program Operator determines eligibility of the contractor by contacting the State Contractors License Board and checking the Federal List of Debarred Contractors. The contractor is also required to provide a self-certification stating that he/she is not on the Federal debarred list. Once determined eligible, the contractor is then notified of provisional award of bid (pending loan approval). Notices of non-award are mailed to participating contractors.

F. Loan Request/Approval

A report and loan request are prepared on behalf of the homeowner by the Program Operator. The loan request includes the cost of construction, a contingency fund, and other project costs (listed in Section 6.3.). A Loan Review Committee meeting is scheduled to hear the loan request. Section 1.3 provides additional information on the loan approval process. Once approved, loan documents are executed and the loan is funded.

G. Pre-Construction Conference

A pre-construction conference is scheduled with homeowner, contractor, and Program Operator. The Program Operator reviews the Owner-Contractor Construction Contract, including the work write-up, start date, pay schedule, and date of completion, with the homeowner and contractor. The construction contract and Notice to Proceed are executed.

H. Start-Up/Field Inspections

The Program Operator monitors date of start-up and performs field inspections on a regular basis. The Program Operator will visit the job site regularly in order to check the scope of work, inspect materials, and to confirm the job is on schedule and within

budget. The Program Operator works with the Building Inspector to ensure the work meets building codes, while not exceeding funding limits.

The Program Operator reviews the work status with the homeowner and with the contractor in order to remedy any developing problems quickly and to ensure that both are satisfied with the construction process. At the completion of each phase, the Program Operator inspects the work and the homeowner authorizes contractor payments.

The Program Operator will refer back to original plans and specifications to verify the work was completed as contracted.

I. Change Orders

Written change orders are required when the homeowner requests any changes in the write-up, such as eliminating an item completely, eliminating one item and substituting another, or adding items. The change order will state the change and dollar value for the change. The change order must be signed by both the contractor and the homeowner, and submitted to the Program Operator for approval. If the change order exceeds the approved financing, the homeowner will be asked to request additional funds and presented to the Loan and Grant Review Committee for approval prior to Program Operator signing-off on the change order.

J. Progress Payments

Ninety percent (90%) of the contract amount is distributed to the contractor in the form of progress payments during construction. The final ten-percent (10%) of the contract amount is set aside as a retention payment. The contractor requests a progress payment from the homeowner and notifies the Program Operator that he/she has done so. Upon favorable inspection by the homeowner, Program Operator, and/or the Building Inspector, the payment authorization is signed by the homeowner and submitted for payment.

K. Final Inspections/Notice of Completion/Final Payment

When the project is completed, the Program Operator inspects the work item by item with the homeowner and the contractor. The Building Inspector performs a final inspection. Any corrections or deficiencies are noted and corrected by the contractor. Upon favorable final inspections, a Notice of Completion is prepared, signed by the homeowner, and then recorded. The final ten-percent (10%) retention payment is released 35 days after the recording of the Notice of Completion.

1.3. LOAN AND GRANT PROCESS

The Loan and Grant Review Committee must approve all loans and grants. The Loan and Grant Review Committee may approve assistance with CDBG financing exceeding 100 percent of after-rehabilitation value as needed in cases where no other financial resources are available to cover the cost of the repairs and where clear and convincing documentation exists, justifying why the exception is needed.

In order to obtain financing, applicants must meet all property and eligibility guidelines in effect at the time the application is considered. Homeowners will be provided written notification of approval or denial. Any reason for denial will be provided to the applicant in writing.

1.4. CONFLICT OF INTEREST REQUIREMENTS

The applicable Conflict of Interest requirements of 24 CFR Section 570.611 shall be followed for CDBG assistance.

A contractor with a vested interest in the property cannot bid on a rehabilitation job. Such a contractor may act as owner/builder, subject to standard construction procedures. Owner/builders are reimbursed for materials purchased which are verified by invoice/receipt and used on the job. Reimbursement occurs after the installation is verified by the Program Operator to be part of the scope of work. Owner/builders are not reimbursed for labor.

2.0. APPLICANT QUALIFICATIONS

2.1. INCOME LIMITS

All homeowners must certify that they meet the household income eligibility requirements for the CDBG program and have their household income documented. The income limits in place at the time of loan approval will apply when determining applicant income eligibility. All applicants must have incomes at or below 80% of the County's area median income (AMI), adjusted for household size, as published by HCD each year. **See Attachment C.**

The link to the official HCD-maintained income limits for HOME- and CDBG-funded activities is: <http://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits.shtml> (choose "State CDBG and HOME" limits).

Household: means one or more persons who will occupy a housing unit. Unborn children don't count in family size determination.

Annual Income: Generally, the gross amount of income of all adult household members that is anticipated to be received during the coming 12-month period.

2.1.1 OWNER-OCCUPIED REQUIREMENTS

Owner-Occupant - to be eligible, household income must be equal to or less than the applicable HCD income limits. Owner will be required to provide income documentation. Refer to Income Inclusions and Exclusions for further guidance to the types of incomes to be included or excluded when calculating gross annual income. **See Attachment A for HOME and CDBG.** Refer to Asset Inclusions and Exclusions for further guidance to the types of assets to be included or excluded when calculating gross annual income. **See Attachment B.**

Owner-occupants housing and/or debt ratios are not considered, nor is a credit report required, as the funding provided creates no additional monthly financial obligation. If an owner-occupant has a mortgage, it is verified that all payments are current and that no late payments have been received in the past twelve months.

2.2. INCOME QUALIFICATION CRITERIA

Projected annual gross income of the applicant household will be used to determine whether they are above or below the published HCD income limits. Income qualification criteria for HOME and CDBG, as shown in the most recent HCD program-specific guidance at <http://www.hcd.ca.gov/grants-funding/income-limits/income-calculation-and-determination-guide.shtml>, will be followed to independently determine and certify the household's annual gross income. Income will be verified by reviewing and documenting tax returns, copies of wage receipts, subsidy checks, bank statements and third-party verification of employment forms sent to employers. All documentation shall be dated within six months prior to loan closing and kept in the applicant file and held in strict confidence.

A. HOUSEHOLD INCOME DEFINITION:

Household income is the annual gross income of all adult household members that is projected to be received during the coming 12-month period, and will be used to determine program eligibility. Refer to Income Inclusions and Exclusions for further guidance to the types of incomes to be included or excluded when calculating gross annual income. For those types of income counted, gross amounts (before any deductions have been taken) are used. Two types of income that are not considered would be income of minors and of live-in aides. Certain other household members living apart from the household also require special consideration. The household's projected ability to pay must be used, rather than past earnings, when calculating income.

See Attachment A: HOME and CDBG 24 CFR Part 5 Annual Income Inclusions and Exclusions and Attachment A-1

B. ASSETS:

There is no asset limitation for participation in the Program. Income from assets is, however, recognized as part of annual income under the Part 5 definition. An asset is a cash or non-cash item that can be converted to cash. The value of necessary items such as furniture and automobiles are not included. (*Note: it is the income earned – e.g. interest on a savings account – not the asset value, which is counted in annual income.*)

An asset's cash value is the market value less reasonable expenses required to convert the asset to cash, including: Penalties or fees for converting financial holdings and costs for selling real property. The cash value (rather than the market value) of an item is counted as an asset.

See Attachment B: Part 5 Annual Income Net Family Asset Inclusions and Exclusions

2.3. HOMEOWNER ELIGIBILITY AND RESIDENCY REQUIREMENTS

The Housing Rehabilitation Program allows for owner-occupied properties to participate in the Program. Owner-occupied units must be the owner's principal place of residence. A photocopy of a recent utility bill will verify proof of occupancy. No unit to be rehabilitated will receive financial assistance if it is currently occupied by an over-income household or does not meet the eligibility standards outlined in these guidelines.

2.3.1 OWNER-OCCUPIED

- A. Continued residency is monitored annually per Attachment F for the term of the loan or grant. Occupancy will be verified by the submission of the following:
 - 1. Proof of occupancy in the form of a copy of a current utility bill; and
 - 2. Statement of unit's continued use as primary residence of the owner.
- B. 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, unless the following conditions are met:

The homeowner who received the loan dies and the heir to the property meets income requirements and intends to occupy the home as his/her principal residence. Upon approval, the heir may be permitted to assume the loan at the rate and terms the heir qualifies for under current participation guidelines. If the heir does not meet applicable eligibility requirements, the loan is due and payable.

If a homeowner converts the property to a rental unit, or any commercial or non-residential use, the loan is due and payable, unless the loan was funded with CDBG and tenant and homeowner meet eligibility requirements as described in Section 2.3.2. below.

3.0. PROPERTY ELIGIBILITY

3.1. CONDITIONS

- A. No unit will be eligible if a household's income exceeds the prescribed income limits listed in Attachment C.
- B. Units to be rehabilitated must be located within the City of Artesia.
- C. Property must contain a legal residential structure intended for continued residential occupancy.
- D. All repair work will meet Local Building Code standards. At a minimum, health and safety hazards must be eliminated. For CDBG the priority will be the elimination of health and safety hazards. The Program Operator may also require elimination of code deficiencies. However, if certain components of the house are sound and were built to code prescribed at the time of installation, no repair or alteration will be made to those components.

3.2. ANTI-DISPLACEMENT POLICY AND RELOCATION ASSISTANCE

Owner-occupants are not eligible for temporary relocation benefits, unless health and safety threats are determined to exist by the Program Operator. In cases where relocation is determined to be necessary by the Program Operator, assistance may be provided for actual costs incurred from the applicant's loan proceeds or as a grant (see **Section 4.4. for allowable grants**).

3.3.1. NOTIFICATION AND DISCLOSURES

Occupants of units constructed prior to 1978 will receive proper notification of Lead-Based Paint (LBP) hazards as follows:

The Lead Hazard Information Pamphlet published by the EPA/HUD/Consumer Product Safety Commission will be given to all owners regardless of the cost of rehabilitation or paint test findings. If lead-based paint is found through testing or if presumed, a Notice of Lead Hazard Evaluation or Presumption will also be supplied. When Lead hazards are present, a Notice of Lead Hazard Reduction Activity and a Lead Hazard Evaluation Report will also be provided (**Attachment I**).

4.0. PROGRAM DETAILS

4.1. MAXIMUM AMOUNT OF PROGRAM ASSISTANCE

- A. The maximum grant amount shall not exceed \$10,000 per property assisted.

- B. The maximum loan amount shall not exceed \$30,000 per property assisted.

4.2. GRANTS

- A. CDBG-funded program may provide grants as follows:

A grant of up to \$10,000 is available for income qualifying homeowners. Grant amounts are determined at the discretion of the Program Operator. Applications will be reviewed in the order they are received; however, income qualifying homeowners with a household member(s) that meets any one of the following factors, with equal consideration to each, will be moved to the top of the funding list:

1. Senior Citizen - at least 62 years old; or
 2. Disabled – for only ADA modifications to a house with one or more physically disabled occupants who would function more independently if such modifications were installed; or
 3. Veterans or individuals in active-duty service.
- B. CDBG-funded grants may only be used for exterior painting, the correction of code enforcement violations, accessibility improvements for the physically disabled, and to fix health and safety concerns, unless otherwise approved.
- C. Qualifying homeowners may be asked to address mandatory improvements such as the installation of smoke and carbon monoxide detectors, security locks on all doors and windows, attic insulation, and lead-based paint removal.
- D. CDBG provides grants for all actual costs of lead-based paint evaluation and reduction activities.
- E. CDBG provides grants for relocation assistance at the Program Operator’s discretion. See Relocation Assistance Plan, **Attachment E**.
1. Owner-Occupant – the Program Operator will determine a reasonable amount.

4.3. LOANS

- A. CDBG-funded program may provide loans as follows:

A loan of up to \$30,000 is available for income qualifying homeowners. Loan amounts are determined at the discretion of the Program Operator. Applications will be reviewed in the order they are received; however, income qualifying homeowners with a household member(s) that meets any one of the following factors, with equal consideration to each, will be moved to the top of the funding list:

1. Senior Citizen - at least 62 years old; or
 2. Disabled – for only ADA modifications to a house with one or more physically disabled occupants who would function more independently if such modifications were installed; or
 3. Veterans or individuals in active-duty service.
- B. CDBG-funded loans may be used for exterior painting, the correction of code enforcement violations, accessibility improvements for the physically disabled, and to fix health and safety concerns. Additionally, loan funds may be used for the following essential improvements, as approved by the Program Operator:
- Re-Roofing
 - Exterior and Interior Painting

- Weatherization (Windows, Doors, and Insulation)
 - Heating and Cooling
 - Flooring
 - Gutters
 - Driveways
 - Repairs to Existing Fencing
 - Re-stucco
 - Termiting
 - Electrical
 - Plumbing
- C. Qualifying homeowners may be asked to address mandatory improvements such as the installation of smoke and carbon monoxide detectors, security locks on all doors and windows, attic insulation, and lead-based paint removal.
- D. Loan funds may not be used for luxury items such as swimming pools, backyard improvements, greenhouses, free-standing appliances, patio covers and enclosures, den and family room additions, barbecue pits, and electronic security systems.
- E. CDBG provides grants if financing rehabilitation entirely with a loan would cause indebtedness to exceed 100% of after-rehabilitation value.

4.3.1 LOAN AFFORDABILITY PARAMETERS FOR HOMEOWNERS

- A. Total indebtedness against property shall not exceed 100 percent of after-rehabilitation value as determined by “Estimates of value” or an appraisal, for CDBG projects.
- An estimate of after-rehab value will be made prior to making a commitment of funds using the method outlined in Section 4.5.
- B. Any bid within 10% of the Program Operator’s estimate may be selected, otherwise an explanation must be provided to the file for a bid selected exceeding 10% of the estimate.

4.3.2 LOAN RATES AND TERMS

- A. Homeowners are eligible for Deferred Payment Loans (DPL), at zero interest, evidenced by a Promissory Note and secured by a Deed of Trust, with no payback required for 30 years unless the borrower sells or transfers title or discontinues residence in the dwelling. Payments may be made voluntarily on a DPL. **Note: If it is determined by the Program Operator that repayment of a CDBG Program loan at the maturity date causes a hardship to the homeowner, the Program Operator may opt the following:**
1. Amend the note and deed of trust to defer repayment of the amount due at maturity, that is balance of the original principal plus the accrued interest, for up to an additional 30 years (at 0% additional interest). This may be offered one time;
 2. Convert the debt at loan maturity; that is the balance of the original principal plus any accrued interest, to an amortized loan, repayable in 15 years at 0% additional interest.
- B. If the homeowner dies, and if the heir(s) to the property live(s) in the house and is/are income eligible, the heir(s) may be permitted, upon approval of the Program Operator, to assume the loan at the rate and terms the heir(s) qualifies for under current participation guidelines.
- C. If the homeowner dies and the heir(s) is/are not income eligible, the loan becomes all due and payable.

- D. If a homeowner converts the rehabilitated property to any residential-rental, commercial or non-residential use, the loan becomes all due and payable, unless they meet requirements outlined in Section 2.3.2.
- E. As specified in the Rehabilitation Loan Agreement, all applicants who participate in the Program must maintain the property at post-rehabilitation conditions for the term of the loan. Should the property not be maintained accordingly, the loan shall be considered in default and becomes all due and payable, and if necessary, foreclosure proceedings will be initiated. A method of inspection will be established by the Program Operator.

4.3.3 APPRAISAL

- A. The After-Rehab Value for rehabilitation projects is determined using the “Estimates of value” method. The Program Operator determines estimates of value based on the sale prices of at least three (3) comparable properties, sold within the last six months (within one year of the assistance date, which is the date the promissory note is signed), and located within one mile of the subject property. The participants’ file will include the estimate of value and document the basis for the value estimates. The purpose of the “Estimates of value” is to determine that the After-Rehabilitation Value Limit of the housing unit will not exceed the permitted amount per HCD Program regulations. If three comparable properties cannot be found, or if there is any question regarding the After-Rehab Value, the ARV will be determined by a licensed appraiser, as described in Section 4.3.3B. below.
- B. A licensed appraiser determines the After-Rehab Value for rehabilitation projects, when the “Estimates of value” method cannot be used. For rehabilitation projects the appraiser determines the value of the unit with the rehabilitation building plans and specifications included. The cost of the appraisal will be paid by the Operator, not by the homeowner. The purpose of the appraisal is to determine that the after-rehabilitation value of the housing unit will not exceed the permitted amount per HCD Program regulations and that the combined loans will not exceed the maximum combined loan-to-value limit, as described in Section 4.3.3A above.

4.4. INSURANCE

4.4.1. FIRE INSURANCE

The homeowner shall maintain fire insurance on the property for the duration of the Program loan and/or grant. This insurance must be an amount adequate to cover all encumbrances on the property. The insurer must identify the Operator as Loss Payee for the amount of the Program loan(s). Evidence of this shall be provided to the Program Operator.

4.4.2. FLOOD INSURANCE

For homes in a 100-year flood zone, the owner is required to maintain flood insurance in an amount adequate to secure the Program loan and/or grant and all other encumbrances.

4.5. LOAN SECURITY

- A. Loan security for all owner-occupied rehabilitation stick-built homes will be secured by the real property and improvements, and will also include a Deed of Trust, Promissory Note and Loan Agreement in favor of the City.
- B. Entering a subordinate lien is acceptable. However, the City will not subordinate a first

lien position once established.

5.0. PROGRAM LOAN SERVICING AND MAINTENANCE

5.1. PAYMENTS ARE VOLUNTARY

Borrowers may begin making voluntary payments at any time.

5.2. RECEIVING LOAN REPAYMENTS

A. Program loan payments will be made to:

City of Artesia

18747 Clarkdale Avenue

Artesia, CA 90701

B. The City will be the receiver of loan payments or recapture funds and will maintain a financial record-keeping system to record payments and file statements on payment status. Payments shall be deposited and accounted for in the City's appropriate Program Income Account, as required by the CDBG program. The City will accept loan payments from borrowers prepaying deferred loans, from borrowers making payments in full upon sale or transfer of the property, and homeowners of tenant-occupied units. All loan payments are payable to the City. The City may at its discretion, enter into an agreement with a third party to collect and distribute payments and/or complete all loan servicing aspects of the Program.

5.3. LOAN SERVICING POLICIES AND PROCEDURES

See **Attachment F** for local loan servicing policies and procedures. While the attached policy outlines a system that can accommodate a crisis that restricts borrower repayment ability, it should in no way be misunderstood: The loan must be repaid. All legal means to ensure the repayment of a delinquent loan as outlined in the Loan Servicing Policies and Procedures will be pursued.

5.4. LOAN MONITORING PROCEDURES

Homeowners will be required to submit each of the following to the Program Operator at the time of annual occupancy verification per Attachment F:

- Proof of occupancy in the form of a copy of a current utility bill;
- Statement of unit's continued use as a residence;
- Declaration that other title holders do not reside on the premises;
- Verification that Property Taxes are current; and
- Verification of current required insurance policies.

5.5. DEFAULT AND FORECLOSURE

If an owner defaults on a loan, and foreclosure procedures are instituted, they shall be carried out according to the Program Foreclosure Policy adopted by the Operator, and attached to these guidelines as **Attachment G**.

5.6. SUBORDINATIONS

The Program Operator may approve a request to subordinate a loan, in order for the owner to refinance the property, under the following conditions:

- A. The lien position of the City loan will remain the same or be advanced.
- B. The new primary loan is no greater than the balance of the loan being refinanced, except the costs of refinancing the loan may be added to the principal balance.
- C. The purpose of the new primary loan is to reduce the interest rate being paid and/or reduce the owner's payment.
- D. The refinanced loan must have an impound account for taxes and insurances.
- E. The refinancing terms must be acceptable to the City.
- F. CDBG allows refinancing with CDBG funds in conjunction with only rehabilitation of the unit.

6.0. CONSTRUCTION

6.1. STANDARDS

- A. All repair work will meet Local Building Code standards. At a minimum, health and safety hazards must be eliminated. For CDBG the priority will be the elimination of health and safety hazards. The Program Operator may also require elimination of code deficiencies. However, if certain components of the house are sound and were built to code prescribed at the time of installation, no repair or alteration will be made to those components.
- B. Contracting Process
 - 1. Contracting will be done on a competitive basis.
 - 2. The homeowner will be the responsible agent, but the Program Operator will prepare the work write-up, prepare and advertise the bid package, and assist the owner in negotiating the construction contract.
 - 3. The City does not warrant any construction work, or provide insurance coverage.
- C. Approved Contractors
 - 1. Contractors are required to be licensed with the State of California, and be active and in good standing with the Contractors' License Board.
 - 2. Contractors will be checked against the System for Award Management (SAM) list of federally debarred contractors. No award will be granted to a contractor on this list.
 - 3. Contractors must have public liability and property damage insurance, and worker's compensation, unemployment and disability insurance, to the extent required by State law.
 - 4. Contractor must agree to comply with all federal and state regulations.

6.2. ELIGIBLE CONSTRUCTION COSTS

“Rehabilitation” means, in addition to the definition in Section 50096 of the Health and Safety Code, repairs and improvements to a manufactured home necessary to correct any condition

causing the home to be substandard pursuant to Section 1704 of Title 25, California Code of Regulations. Rehabilitation also means repairs and improvements where necessary to meet any locally-adopted standards used in local rehabilitation programs. Rehabilitation does not include replacement of personal property.

Like for like requires that the structure being demolished must be replaced with a like structure (replace manufactured housing with manufactured housing, for example). However, additions may be approved by the HCD Program when required by Codes/Ordinances or to alleviate overcrowding. (**See Attachment C**)

Depending on the outcome of the Statutory Worksheet (Environmental test), a reconstructed project may require Authority from the State before funds are committed to the project.

Allowable rehabilitation\reconstruction costs include:

- A. Cost of building permits and other related government fees.
- B. Cost of architectural, engineering, and other consultant services which are directly related to the rehabilitation of the property.
- C. Owner-occupied rehabilitation activity delivery fees, pursuant to Section 7733(f), as reimbursement to the Operator for the actual costs of services rendered to the homeowner that are incidentally but directly related to the rehabilitation work (e.g. planning, engineering, construction management, including inspections and work write-ups).
- D. Rehabilitation will address the following issues in the order listed. Eligible costs are included for each item.
 - 1. Health and Safety Issues

Eligible costs include, but are not limited to, energy-related improvements, lead-based paint hazard evaluation and reduction activities, improvements for handicapped accessibility, repair or replacement of major housing systems. A driveway may be considered part of rehabilitation if it is determined to be a health and safety issue.
 - 2. Code and Regulation Compliance

Eligible costs include, but are not limited to, additional work required to rehabilitate and modernize a home, and bring it into compliance with current building codes and regulations. Painting and weatherization are included.
 - 3. Demolition

Eligible costs include, but are not limited to, the tear down and disposal of dilapidated structures. If a garage or carport is detached, it may not be rehabilitated but may be demolished, if it is determined to be a health and safety issue.
 - 4. Upgrades

Eligible costs include additional bedrooms and bathrooms if the need can be demonstrated per HUD's or Operator's overcrowding guidelines listed in **Attachment C**. The Program will not fund additions to a home for a den or family room, or for any luxury items.

5. General Property Improvements

All improvements must be physically attached to the property and permanent in nature. Non-code property improvements (fencing, landscaping, driveway, etc.) will be *limited to 15 percent* of the rehabilitation loan amount. Any cash contribution by the property owner will be considered a general property improvement and be included in this percentage. Luxury items are not permitted. Items such as stoves and dishwashers that are not built-in may be replaced due only to incipient failure or documented medical condition of the homeowner, and must be of moderate quality.

6. Rehabilitation Standards

All repair work related to health and safety conditions will meet Local Building Code standards. The priority will be the elimination of health and safety hazards and code compliance.

6.3. ELIGIBLE PROJECT COSTS

Examples of eligible project costs for all expenses related to the paperwork for processing and insuring a loan application are listed below.

- Appraisal
- Property Report/Title Insurance
- Building Plan
- Termite Report
- Land Survey
- Grading Plan
- Recording Fees

6.4. REPAIR CALLBACKS

Contractors will comply with State law regarding all labor and material warranties. All labor and material shall meet FHA minimum specifications.

7.0. EXCEPTIONS AND SPECIAL CIRCUMSTANCES

7.1. AMENDMENTS

The Program Operator may make amendments to these Participant Guidelines. Any changes made shall be in accordance with federal and state regulations, shall be approved by the City's Loan and Grant Committee and submitted to HCD for approval.

7.2. EXCEPTIONS

Any case to which a standard policy or procedure, as stated in the guidelines, does not apply or an applicant treated differently from others of the same class would be an exception.

7.2.1 PROCEDURES FOR EXCEPTIONAL CIRCUMSTANCES

- A. The Program Operator may initiate consideration of an exception and prepare a report. This report shall contain a narrative, including the Program Operator's recommended course of action and any written or verbal information supplied by the applicant.
- B. The request can be presented to the City's Loan and Grant Review Committee for consideration.

8.0. DISPUTE RESOLUTION AND APPEALS PROCEDURES

8.1. PROGRAM COMPLAINT AND APPEAL PROCEDURE

Complaints concerning the City’s Rehabilitation Program should be made to the Program Operator. The Program Operator will then schedule a meeting with the City’s Loan and Grant Review Committee. Their written response will be made within thirty (30) working days. If the applicant is not satisfied with the committee's decision, a request for an appeal may be filed with the local governing body. Final appeal may be filed in writing with HCD within one year after denial or the filing of the Project Notice of Completion.

8.2. GRIEVANCES BETWEEN PARTICIPANTS AND CONSTRUCTION CONTRACTOR

Contracts signed by the contractor and the participant include the following clause, which provides a procedure for resolution of grievances: Any controversy arising out of or relating to this Contract, or the breach thereof, shall be submitted to binding arbitration in accordance with the provisions of the California Arbitration Law, Code of Civil Procedure 1280 et seq., and the Rules of the American Arbitration Association. The arbitrator shall have the final authority to order work performed, to order the payment from one party to another, and to order who shall bear the costs of arbitration. Costs to initiate arbitration shall be paid by the party seeking arbitration. Notwithstanding, the party prevailing in any arbitration proceeding shall be entitled to recover from the other all attorney's fees and costs of arbitration.

ATTACHMENT A

24 CFR Part 5 ANNUAL INCOME INCLUSIONS AND EXCLUSIONS

24 CFR Part 5 Annual Income Inclusions

§5.609 Annual income.

(a) *Annual income* means all amounts, monetary or not, which:

- (1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or
- (2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and
- (3) Which are not specifically excluded in paragraph (c) of this section.
- (4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

(b) Annual income includes, but is not limited to:

- (1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;

(2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;

(3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;

(4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c) (14) of this section);

(5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (c) (3) of this section);

(6) *Welfare assistance payments.*

(i) Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments:

(A) Qualify as assistance under the TANF program definition at 45 CFR 260.31; and

(B) Are not otherwise excluded under paragraph (c) of this section.

(ii) If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

(A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

(B) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the

amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

(7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;

(8) All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c)(7) of this section).

(9) For section 8 programs only and as provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition and any other required fees and charges, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 *et seq.*), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

24 CFR Part 5 Annual Income Exclusions

(c) Annual income does not include the following:

(1) Income from employment of children (including foster children) under the age of 18 years;

(2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);

(3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (b)(5) of this section);

(4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;

(5) Income of a live-in aide, as defined in §5.403;

(6) Subject to paragraph (b)(9) of this section, the full amount of student financial assistance paid directly to the student or to the educational institution;

(7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;

(8) (i) Amounts received under training programs funded by HUD;

(ii) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);

(iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;

(iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time;

(v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;

(9) Temporary, nonrecurring or sporadic income (including gifts);

(10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;

(11) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);

(12) Adoption assistance payments in excess of \$480 per adopted child;

(13) [Reserved]

(14) Deferred periodic amounts from supplemental security income and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts, or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts.

(15) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;

(16) Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or

(17) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the FEDERAL REGISTER and distributed to PHA's and

housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary. [See <https://www.federalregister.gov/documents/2014/05/20/2014-11688/federally-mandated-exclusions-from-income-updated-listing> for most recent notice]

(d) *Annualization of income.* If it is not feasible to anticipate a level of income over a 12-month period (e.g., seasonal or cyclic income), or the PHA believes that past income is the best available indicator of expected future income, the PHA may annualize the income anticipated for a shorter period, subject to a redetermination at the end of the shorter period.

ATTACHMENT B**PART 5 ANNUAL INCOME NET FAMILY ASSET INCLUSIONS AND EXCLUSIONS**

This table presents the Part 5 asset inclusions and exclusions as stated in the HUD Technical Guide for Determining Income and Allowances for HOME Program (Third Edition; January 2005).

Statements from 24 CFR Part 5 – Last Modified: January 2005

Inclusions

1. Cash held in savings accounts, checking accounts, safe deposit boxes, homes, etc. For savings accounts, use the current balance. For checking accounts, use the average 6-month balance. Assets held in foreign countries are considered assets.
2. Cash value of revocable trusts available to the applicant.
3. Equity in rental property or other capital investments. Equity is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and all reasonable costs (e.g., broker fees) that would be incurred in selling the asset. Under HOME, equity in the family's primary residence is not considered in the calculation of assets for owner-occupied rehabilitation projects.
4. Cash value of stocks, bonds, Treasury bills, certificates of deposit and money market accounts.
5. Individual retirement, 401(K), and Keogh accounts (even though withdrawal would result in a penalty).
6. Retirement and pension funds.
7. Cash value of life insurance policies available to the individual before death (e.g., surrender value of a whole life or universal life policy).
8. Personal property held as an investment such as gems, jewelry, coin collections, antique cars, etc.
9. Lump sum or one-time receipts, such as inheritances, capital gains, lottery winnings, victim's restitution, insurance settlements and other amounts not intended as periodic payments.
10. Mortgages or deeds of trust held by an applicant.

Exclusions

1. Necessary personal property, except as noted in number 8 of Inclusions, such as clothing, furniture, cars and vehicles specially equipped for persons with disabilities.
2. Interest in Indian trust lands.
3. Assets not effectively owned by the applicant. That is, when assets are held in an individual's name, but the assets and any income they earn accrue to the benefit of someone else who is not a member of the household and that other person is responsible for income taxes incurred on income generated by the asset.
4. Equity in cooperatives in which the family lives.

5. Assets not accessible to and that provide no income for the applicant.
6. Term life insurance policies (i.e., where there is no cash value).
7. Assets that are part of an active business. "Business" does not include rental of properties that are held as an investment and not a main occupation.

ATTACHMENT C

HOUSEHOLD INCOME LIMITS FOR Los Angeles COUNTY*

(Limits are effective 6/1/2018)

| <i>Number of Persons in Household</i> | | | | | | | | |
|---------------------------------------|----------|----------|----------|----------|----------|----------|----------|-----------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| 80% of AMI | \$54,250 | 62,000 | \$69,750 | \$77,500 | \$83,700 | \$89,900 | \$96,100 | \$102,300 |

Operator will insert the limits for the county in which the Program is located, and will update the income limits annually as HCD provides new information. The link to the official, HCD-maintained Value, Subsidy, and Income limits is: <http://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits.shtml> (for HOME and CDBG limits, choose “State CDBG and HOME Income”).

OPERATOR STANDARDS FOR BEDROOM AND BATHROOM ADDITIONS TO ALLEVIATE OVERCROWDING

| Maximum No. of Persons in the Household | Number of Bedrooms | Number of Bathrooms |
|--|---------------------------|----------------------------|
| 1 | SRO | 1 |
| 1 | 0-BR | 1 |
| 2 | 1-BR | 1 |
| 4 | 2-BR | 2 |
| 6 | 3-BR | 2 |
| 8 | 4-BR | 3 |
| 10 | 5-BR | 3 |
| 12 | 6-BR | 4 |

- Opposite sex children under 6 years of age may share a bedroom, up to 2 children per bedroom.
- Opposite-sex children 6 years of age and older may have their own bedroom.
- Children shall be permitted a separate bedroom from their parents.
- Same-sex children of any age may share a bedroom, up to 2 children per bedroom.
- Adults not in a partner relationship may have their own bedroom.

- 4 or more people – a second bathroom may be added.
- 8 or more people – a third bathroom may be added.
- Same rules apply to mobile home units.

The chart above is used as a guide to overcrowding.

ATTACHMENT D

HOUSING REHABILITATION MARKETING PLAN

SUMMARY

The Operator will continue its efforts to market the Housing Rehabilitation Program in a manner that will reach all community members.

All marketing related to the Housing Rehabilitation Program is publicized in both English and Spanish. All marketing materials include information identifying the Operator's commitment to fair housing laws and affirmative marketing policy, and are widely distributed. Equal opportunity is emphasized in written materials and oral presentations. A record is maintained by the Operator identifying what marketing materials are used, and when and where they are distributed.

Forms of marketing may include fliers, brochures, newspaper ads, articles and public service announcements. Fliers and brochures are distributed at local government buildings, other public buildings and through the mail, as well as to businesses that assist those not likely to apply without special outreach. Advertisements and articles are published in newspapers that are widely circulated within the community.

Established working relationships with local lending agencies also aid in informing the public by facilitating the distribution of informational fliers to households seeking financial assistance for repairs that are unable to obtain conventional financing.

Informational meetings are offered to potential participants to explain Program requirements. Often, minimal formal outreach efforts are required as the need for assistance generally exceeds funds available. However, marketing measures are actively performed in order to maintain a healthy interest list.

Characteristics on all applicants and participants are collected and compared with the Operator's demographics. Should the Operator find that there are underserved segments of the population, a plan to better serve them will be developed and implemented.

MARKETING FORMS

- Fliers
- Brochures
- Newspaper Ads and Articles
- Public Service Announcements
- Public Informational Meetings

MARKETING VENUES

- Local Government Buildings
- Local Public Services Buildings
- Private Businesses
- Lending Agencies
- Real Estate Offices
- Newspaper
- Radio
- Mail

ATTACHMENT E

RESIDENTIAL ANTI-DISPLACEMENT AND TEMPORARY RELOCATION PLAN

Version 2

The Housing and Community Development Act of 1974, as amended, and the National Affordable Housing Act of 1990, require all grantees of Community Development Block Grant (CDBG) funds to follow a written Residential Anti-displacement and Relocation Assistance Plan (Plan) for any activities which could lead to displacement of occupants whose property is receiving funds from these or other federal funding source. Having been developed in response to both aforesaid federal legislations, this Plan is intended to inform the public of the compliance of the City of Artesia (Operator) with the requirements of federal regulations 24 CFR 570.606 under state recipient requirements and Section 104(d) of the Housing and Community Development Act of 1974 and 24 CFR 92 of the HOME federal regulations. The Plan will outline reasonable steps, which the Operator will take to minimize displacement and ensure compliance with all applicable federal and state relocation requirements. The Operator’s governing body has adopted this plan via a formal resolution.

This Plan will affect rehabilitation activities funded by the U.S. Department of Housing and Urban Development (HUD) under the following program titles: HOME, CDBG, Urban Development Action Grant (UDAG), Special Purpose Grants, Section 108 Loan Guarantee Program, and such other grants as HUD may designate as applicable, which take place within the Operator’s jurisdiction limits.

The Operator will provide permanent relocation benefits to all eligible “displaced” households either owner-occupied or renter-occupied units which are permanently displaced by the housing rehabilitation program (**See Section E below.**). In addition, the Operator will replace all eligible occupied and vacant occupiable low-income group dwelling units demolished or converted to a use other than low income group housing as a direct result of rehabilitation activities. This applies to all units assisted with funds provided under the Housing and Community Development Act of 1974, as amended, and as described in the Federal Regulations 24 CFR 570.496(a), Relocation, Displacement and Acquisition: Final Rule dated July 18, 1990 (Section 104(d)) and 49 CFR Part 24, Uniform Relocation Assistance (URA) and Real Property Acquisition Regulations Final Rule and Notice (URA) dated March 2, 1989.

All Operator programs/projects will be implemented in ways consistent with the Operator’s commitment to Fair Housing. Participants will not be discriminated against on the basis of race, color, religion, age, ancestry, national origin, sex, familial status, or handicap. The Operator will provide equal relocation assistance available 1) to each targeted income group household displaced by the demolition or rehabilitation of housing or by the conversion of a targeted income group dwelling to another use as a direct result of assisted activities; and 2) to each separate class of targeted income group persons temporarily relocated as a direct result of activities funded by HUD programs.

A. Minimizing Permanent Displacement and Temporary Relocation Resulting from Housing Rehabilitation or Reconstruction Activities

Consistent with the goals and objectives of activities assisted under the Act, the Operator will take the following steps to minimize the displacement of persons from their homes during housing rehabilitation or reconstruction funded by HUD programs:

1. Provide proper notices with counseling and referral services to all tenants so that they understand their relocation rights and receive the proper benefits. When necessary assist permanently displaced persons to find alternate housing in the neighborhood.
2. Stage rehabilitation of assisted households to allow owner occupants and/or tenants to remain during minor rehabilitation.
3. Encourage owner investors to temporarily relocate tenants to other available safe and sanitary vacant units on the project site area during the course of rehabilitation or pay expenses on behalf of replaced tenants.
4. Work with area landlords, real estate brokers, and/or hotel/motel managements to locate vacancies for households facing temporary relocation.
5. When necessary, use public funds, such as CDBG funds, to pay moving costs and provide relocation/displacement payments to households permanently displaced by assisted activities.

B. Lead Based Paint Mitigation Which Causes Temporary Relocation:

On September 15, 2000, the Final Rule for Lead Based Paint Hazard Control went into effect. Among other things, it requires that federally-funded rehabilitation must use safe work practices so that occupants and workers can be protected from lead hazards. **At no time should the tenant-occupant(s) be present in work areas or designated adjacent areas while LHC activities are taking place in any dwelling unit interior, common area, or exterior.** As such, occupants may not be allowed to remain in their units during the time that lead-based paint hazards are being created or treated. Once work that causes lead hazards has been completed, and the unit passes clearance, the occupants can return. **The tenant-occupants may not reoccupy a work area or adjacent area until post-lead hazard reduction clearance standards have been achieved and verified with laboratory results.** The final rule allows for certain exceptions: programs:

1. The work will not disturb lead-based paint, or create dust-lead or soil-lead hazard; or
2. The work is on exterior only and openings are sealed to prevent dust from entering the home, the work area is cleaned after the work is completed, and the residents have alternative lead free entry; or
3. The interior work will be completed in one period of less than 8-daytime hours and the work site is contained to prevent the release of dust into other areas of the home; or
4. The interior work will be completed within five (5) calendar days, the work site is contained to prevent the release of dust, the worksite and areas within 10 feet of the worksite are cleaned at the end of each day to remove any visible dust and debris, and the residents have safe access to kitchen and bath and bedrooms.

If temporary relocation benefits are not provided because the Operator believes that the project meets one of the above criteria, then proper documentation must be provided in the rehabilitation project file to show compliance. It is up to the Operator to ensure that the owner occupant or tenant in the project does not get impacted by lead paint mitigation efforts. In most cases where lead paint mitigation is taking place, occupants (tenants or owners) will be strongly encouraged to relocate even for just a few days until a final lead clearance can be issued by a certified lead based paint assessor. Occupants who are temporarily relocated because of lead based paint mitigation are entitled to the same

relocation benefits as those who are relocated because of substantial rehabilitation or reconstruction activities.

C. Temporary Relocation of Owner Occupants:

Owner occupants are not allowed to stay in units which are hazardous environments during lead based paint mitigation. When their home is having lead based paint mitigation work done which will not make it safe to live in, then they are eligible for temporary relocation benefits, which will be provided as a grant. In the same way, a unit requiring substantial rehabilitation (with or without lead based paint mitigation) which will not allow the family to access a bath or kitchen facility, or if the unit is being demolished and reconstructed, then the family will be eligible for temporary relocation benefits in an amount the City determines to be reasonable, which will be provided as a grant.

Owner occupants will be encouraged to move in with family or friends during the course of rehabilitation, since they are voluntarily participating in the Program. The housing rehabilitation loan specialist and/or the rehabilitation construction specialist will complete a temporary relocation benefits form (**See Appendix A**) to document that the owner occupant understands that they must relocate during the course of construction and what benefits they wish to be reimbursed for as part of their relocation.

D. Rehabilitation Activities Requiring Permanent Displacement

The Operator's rehabilitation program will not typically trigger permanent displacement and permanent displacement activities fall outside of the scope of this plan. If a case of permanent displacement is encountered, then the staff responsible for the rehabilitation program will consult with Operator's legal counsel to decide if they have the capacity to conduct the permanent displacement activity. If local staff does not have the capacity, then a professional relocation consultant will be hired to do the counseling and benefit determination and implementation. If local staff does wish to do the permanent displacement activity, then they will consult and follow the HUD Relocation Handbook 1378.

E. Rehabilitation Which Triggers Replacement Housing

If the Operator's rehabilitation program assists a property where one or more units are eliminated then under Section 104 (d) of the Housing and Community Act of 1974, as amended applies and the Operator is required to replace those lost units. An example of this would be a duplex unit which is converted into a single family unit. In all cases where rehabilitation activities will reduce the number of housing units in the jurisdiction, then the Operator must document that any lost units are replaced and any occupants of reduced units are given permanent relocation benefits. (This does not apply to reconstruction or replacement housing done under a rehabilitation program where the existing unit(s) is demolished and replaced with a structure equal in size without in loss number of units or bedrooms.)

Replacement housing will be provided within three years after the commencement of the demolition or conversion. Before entering into a contract committing the Operator to provide funds for an activity that will directly result in such demolition or conversion, the Operator will make this activity public (through a noticed public hearing and/or publication in a newspaper of general circulation) and submit to the California Department of Housing and Community Development or the appropriate federal authority the following

information in writing:

1. A description of the proposed assisted activity;
2. The location on a map and the approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than as targeted income group dwelling units as a direct result of the assisted activity;
3. A time schedule for the commencement and completion of the demolition or conversion;
4. The location on a map and the approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;
5. The source of funding and a time schedule for the provision of the replacement dwelling units;
6. The basis for concluding that each replacement dwelling unit will remain a targeted income group dwelling unit for at least 10 years from the date of initial occupancy; and,
7. Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units (e.g., a two-bedroom unit with two one-bedroom units) is consistent with the housing needs of targeted income group households in the jurisdiction.

The Program Operator is responsible for tracking the replacement of housing and ensuring that it is provided within the required period. The Operator is responsible for ensuring requirements are met for notification and provision of relocation assistance, as described in Section 570.606, to any targeted income group displaced by the demolition of any dwelling unit or the conversion of a targeted income group dwelling unit to another use in connection with an assisted activity.

F. Record Keeping and Relocation Disclosures/Notifications

The Operator will maintain records of occupants of federally funded rehabilitated, reconstructed or demolished property from the start to completion of the project to demonstrate compliance with section 104(d), URA and applicable program regulations. Each rehabilitation project, which dictates temporary or permanent or replacement activities, will have a project description and documentation of assistance provided. (See sample forms in HUD Relocation Handbook 1378, Chapter 1, Appendix 11, form HUD-40054)

Appropriate advisory services will include reasonable advance written notice of (a) the date and approximate duration of the temporary relocation; (b) the address of the suitable, decent, safe, and sanitary dwelling to be made available for the temporary period; (c) the terms and conditions under which the tenant may lease and occupy a suitable, decent, safe, and sanitary dwelling.

Notices shall be written in plain, understandable primary language of the persons involved. Persons who are unable to read and understand the notice (e.g. illiterate, foreign language, or impaired vision or other disability) will be provided with appropriate translation/communication. Each notice will indicate the name and telephone number of a person who may be contacted for answers to questions or other needed help. The notices and

process below is for only temporary relocation. If permanent relocation is involved, then other sets of notice and noticing process and relocation benefits must be applied (See HUD relocation handbook 1378 for those forms and procedures)

1. Disclosure to Occupants of Temporary Relocation Benefits: This form is completed to document that the Operator is following it's adopted temporary relocation plan for owner occupants and tenants. **See Appendix A for a copy of the disclosure form.**
2. Other Relocation/Displacement Notices: The above notice is required for temporary relocation. If the Operator is attempting to provide permanent displacement benefits, then there are a number of other forms which are required. Staff will consult HUD's Relocation Handbook 1378 and ensure that all the proper notices are provided for persons who are permanently displaced as a result of housing rehabilitation activities funded by CDBG or other federal programs.

APPENDIX A

DISCLOSURE TO OCCUPANT OF TEMPORARY RELOCATION BENEFITS

Top to be completed at time of loan application submittal or Home Visit

Property Address: _____

Rental Unit Owner-Occupied Unit

The rehabilitation loan specialist working on behalf of the City/County of _____
_____ has explained the temporary relocation services and
benefits available under the current rehabilitation program relocation plan.

I/we have been advised that the City/County of _____ rehabilitation construction specialist
will inform me if I need to be temporarily relocated and will to assist me with scheduling any necessary
moves and answer any questions about assistance as needed.

Acknowledged:

Occupant Signature Date _____
Occupant Signature Date

Complete this at time of acceptance of Work Write Up with initials by occupant

The rehabilitation construction specialist for the City/County of _____
has explained the Rehabilitation Scope of Work for our house and I/we agree that it will:

Not require I/we to be relocated. **(If initialed then STOP here and sign bottom.)**

Yes, I/we need to be temporarily relocated. **(Complete rest of form if initialed.)**

Start date and duration of relocation:

Starting on or about _____ we will move for all or part of the rehabilitation project.

Approximate length of temporary relocation: _____ Number of days.

For temporary relocation, I/We elect to (check all that apply):

Relocate with friends and family.

Relocate into a suitable temporary housing unit identified by rehab specialist.

Relocate furnishings only into a temporary storage unit.

I/We have been told what our relocation benefits are and elect **Not** to be reimbursed for any
eligible relocation expenses.

I/We have been told what our relocation benefits are and want to be reimbursed for: _____

By signing, occupant(s) acknowledge receipt of copy of this form:

Occupant Signature Date _____
Occupant Signature Date

ATTACHMENT F

LOAN SERVICING POLICIES AND PROCEDURES

FOR THE CITY OF ARTESIA

The City of Artesia, hereafter called “Operator,” has adopted these policies and procedures in order to preserve its financial interest in properties, whose “Borrowers” have been assisted with public funds. The Operator will to the greatest extent possible follow these policies and procedures, but each loan will be evaluated and handled on a case-by-case basis. The Operator has formulated this document to comply with state and federal regulations regarding the use of these public funds and any property restrictions, which are associated with them.

The policies and procedures are broken down into the follow areas: 1) making required monthly payments or voluntary payments on a loan’s principal and interest; 2) required payment of property taxes and insurance; 3) required Request for Notice of Default on all second mortgages; 4) loans with annual occupancy restrictions and certifications 5) required noticing and limitations on any changes in title or use of property; 6) required noticing and process for requesting a subordination during a refinance; 7) processing of foreclosure in case of default on the loan.

1. Loan Repayments:

The Operator will collect monthly payments from those borrowers who are obligated to do so under Notes which are amortized promissory notes. Late fees will be charged for payments received after the assigned monthly date.

For Notes which are deferred payment loans, the Operator must accept voluntary payments on the loan. Loan payments will be credited to principal. The Borrower may repay the loan balance at any time with no penalty.

2. Payment of Property Taxes and Insurance:

As part of keeping the loan from going into default, Borrower must maintain property insurance coverage naming the Operator as loss payee. If Borrower fails to maintain the necessary insurance, the Operator may take out force placed insurance to cover the property while the Borrower puts a new insurance policy in place. All costs for installing the necessary insurance will be added to the loan balance at time of installation of Borrower’s new insurance.

When a property is located in a 100-year floodplain, the Borrower will be required to carry the necessary flood insurance. A certificate of insurance for flood and for standard property insurance naming the City of Artesia as a lender loss payee will be required at close of escrow. The Operator will verify the insurance on an annual basis.

Property taxes must be kept current during the term of the loan. If the Borrower fails to maintain payment of property taxes, then the Operator may pay the taxes current and add the balance of the tax payment plus any penalties to the balance of the loan. Wherever possible, the Operator encourages Borrower to have impound accounts set up with their first mortgagee wherein they pay their taxes and insurance as part of their monthly mortgage payment.

Required Request for Notice of Default:

When the Borrower’s loan is in second position behind an existing first mortgage, it is the

Operator's policy to prepare and record a "Request for Notice of Default" for each senior lien in front of Operator's loan. This document requires any senior lienholder listed in the notice to notify the Operator of initiation of a foreclosure action. The Operator will then have time to contact the Borrower and assist them in bringing the first loan current. The Operator can also monitor the foreclosure process and go through the necessary analysis to determine if the loan can be made whole or preserved. When the Operator is in a third position and receives notification of foreclosure from only one senior lienholder, it is in their best interest to contact any other senior lienholders regarding the status of their loans.

3. Annual Occupancy Restrictions and Certifications:

On owner-occupant loans the Operator may require that Borrowers submit utility bills and/or other documentation annually to prove occupancy during the term of the loan. For CDBG, some loans may have income and housing cost evaluations, which require a household to document that they are not able to make repayments, typically every five years. These loan terms are incorporated in the original note and deed of trust.

4. Required Noticing and Restrictions on Any Changes of Title or Occupancy:

In all cases where there is a change in title or occupancy or use, the Borrower must notify the Operator in writing of any change. Operator and Borrower will work together to ensure the property is kept in compliance with the original Program terms and conditions such that it remains available as an affordable home for low income families. These types of changes are typical when Borrowers do estate planning (adding a relative to title), or if a Borrower dies and property is transferred to heirs or when the property is sold or transferred as part of a business transaction. In some cases, the Borrower may move and turn the property into a rental unit without notifying the Operator. Changes in title or occupancy must be in keeping with the objective of benefit to low-income households (below 80 percent of AMI).

Change from owner-occupant to owner-occupant occurs at a sale. When a new owner-occupant is not low-income, the loan is not assumable and the loan balance is immediately due and payable. If the new owner-occupant qualifies as low-income, the purchaser may either pay the loan in full or assume all loan repayment obligations of the original owner-occupant, subject to the approval of the Operator's Loan Committee (depends on the HCD program).

If a transfer of the property occurs through inheritance, the heir (as owner-occupant) may be provided the opportunity to assume the loan at an interest rate based on household size and household income, provided the heir is income eligible. If the heir intends to occupy the property and is not low-income, the balance of the loan is due and payable. If the heir intends to act as an owner-investor, the balance of the loan may be converted to an owner/investor interest rate and loan term and a rent limitation agreement is signed and recorded on title. All such changes are subject to the review and approval of the Operator's Loan Committee.

Change from owner-occupant to owner-investor occurs when an owner-occupant decides to move out and rent the assisted property, or if the property is sold to an investor. If the owner converts any assisted unit from owner-occupied to rental, the loan is due in full.

Conversion to use other than residential use is not allowable where the full use of the property is changed from residential to commercial or other. In some cases, Borrowers may request that the Operator allow for a partial conversion where some of the residence is used for a business but the household still resides in the property. Partial conversions can be allowed if

it is reviewed and approved by any and all agencies required by local statute. If the use of the property is converted to a fully non-residential use, the loan balance is due and payable.

5. Requests for Subordinations:

When a Borrower wishes to refinance the property, they must request a subordination request to the Operator. The Operator will subordinate their loan only when there is no "cash out" as part of the refinance. Cash out means there are no additional charges on the transaction above loan and escrow closing fees. There can be no third-party debt payoffs or additional encumbrance on the property above traditional refinance transaction costs. Furthermore, the refinance should lower the housing cost of the household with a lower interest rate and the total indebtedness on the property should not exceed the current market value.

Upon receiving the proper documentation from the refinance lender, the request will be considered by the loan committee for review and approval. Upon approval, the escrow company will provide the proper subordination document for execution and recordation by the Operator.

6. Process for Loan Foreclosure:

Upon any condition of loan default: 1) non-payment; 2) lack of insurance or property tax payment; 3) change in title or use without approval; or 4) default on senior loans, the Operator will send out a letter to the Borrower notifying them of the default situation. If the default situation continues, the Operator may start a formal process of foreclosure.

When a senior lienholder starts a foreclosure process and the Operator is notified via a Request for Notice of Default, the Operator, who is the junior lienholder, may cancel the foreclosure proceedings by "reinstating" the senior lienholder. The reinstatement amount or payoff amount must be obtained by contacting the senior lienholder. This amount will include all delinquent payments, late charges and fees to date. Operator must confer with Borrower to determine if, upon paying the senior lienholder current, the Borrower can provide future payments. If this is the case, then the Operator may cure the foreclosure and add the costs to the balance of the loan with a Notice of Additional Advance on the existing note.

If the Operator determines, based on information on the reinstatement amount and status of Borrower, that bringing the loan current will not preserve the loan, then staff must determine if it is cost effective to protect their position by paying off the senior lienholder in total and restructure the debt such that the unit is made affordable to the Borrower. If the Operator does not have sufficient funds to pay the senior lienholder in full, then they may choose to cure the senior lienholder and foreclose on the property themselves. As long as there is sufficient value in the property, the Operator can afford to pay for the foreclosure process and pay off the senior lienholder and retain some or all of their investment.

If the Operator decides to reinstate, the senior lienholder will accept the amount to reinstate the loan up until five (5) days prior to the set "foreclosure sale date." This "foreclosure sale date" usually occurs about four (4) to six (6) months from the date of recording of the "Notice of Default." If the Operator fails to reinstate the senior lienholder before five (5) days prior to the foreclosure sale date, the senior lienholder would then require a full pay off of the balance, plus costs, to cancel foreclosure. If the Operator determines the reinstatement and maintenance of the property not to be cost effective and allows the senior lienholder to complete foreclosure, the Operator's lien may be eliminated due to insufficient sales proceeds.

Operator as Senior Lienholder

When the Operator is first position as a senior lienholder, active collection efforts will begin on any loan that is 31 or more days in arrears. Attempts will be made to assist the homeowner in bringing and keeping the loan current. These attempts will be conveyed in an increasingly urgent manner until loan payments have reached 90 days in arrears, at which time the Operator may consider foreclosure. Operator's staff will consider the following factors before initiating foreclosure:

- 1) Can the loan be cured and can the rates and terms be adjusted to allow for affordable payments such that foreclosure is not necessary?
- 2) Can the Borrower refinance with a private lender and pay off the Operator?
- 3) Can the Borrower sell the property and pay off the Operator?
- 4) Does the balance warrant foreclosure? (If the balance is under \$5,000, the expense to foreclose may not be worth pursuing.)
- 5) Will the sales price of home "as is" cover the principal balance owing, necessary advances, (maintain fire insurance, maintain or bring current delinquent property taxes, monthly yard maintenance, periodic inspections of property to prevent vandalism, etc.) foreclosure, and marketing costs?

If the balance is substantial and all of the above factors have been considered, the Operator may opt to initiate foreclosure. The Borrower must receive, by certified mail, a thirty-day notification of foreclosure initiation. This notification must include the exact amount of funds to be remitted to the Operator to prevent foreclosure (such as, funds to bring a delinquent BMIR current or pay off a DPL).

At the end of thirty days, the Operator should contact a reputable foreclosure service or local title company to prepare and record foreclosure documents and make all necessary notifications to the owner and junior lienholders. The service will advise the Operator of all required documentation to initiate foreclosure (Note and Deed of Trust usually) and funds required from the owner to cancel foreclosure proceedings. The service will keep the Operator informed of the progress of the foreclosure proceedings.

When the process is completed, and the property has "reverted to the beneficiary" at the foreclosure sale, the Operator could sell the home themselves under a homebuyer program or use it for an affordable rental property managed by a local housing authority or use it for transitional housing facility or other eligible use. The Operator could contract with a local real estate broker to list and sell the home and use those funds for Program income-eligible uses.

ATTACHMENT G

CITY OF ARTESIA'S

FORECLOSURE POLICY

Operator as Junior Lienholder

It is the City of Artesia's (Operator's) policy to prepare and record a "Request for Notice" on all junior liens (any lien after the first position) placed on properties financed by a loan.

This document requires any senior lienholder to notify the Operator of initiation (recording of a "Notice of Default") of a foreclosure only. This is to alert the junior lienholder that they are to monitor the foreclosure with the senior lienholder. When the Operator is in a third position and receives notification of foreclosure from only one senior lienholder, it would be in their best interest to contact both senior lienholders regarding the status of their loans.

The junior lienholder may cancel the foreclosure proceedings by "reinstating" the senior lienholder. The reinstatement amount must be obtained by contacting the senior lienholder. This amount will include all delinquent payments, late charges, advances (fire insurance premiums, property taxes, property protection costs, etc.), and foreclosure costs (fees for legal counsel, recordings, certified mail, etc.)

Once the Operator has the information on the reinstatement amount, staff must then determine if it is cost effective to protect their position by reinstating the senior lienholder, keeping them current by submitting a monthly payment thereafter, foreclosing on the property possibly resulting in owning the property at the end of foreclosure, protecting the property against vandalism, and paying marketing costs (readying the home for marketing, paying for yard maintenance, paying a real estate broker a sales commission).

If the Operator decides to reinstate, the senior lienholder will accept the amount to reinstate the loan up until five (5) days prior to the set "foreclosure sale date." This "foreclosure sale date" usually occurs about four (4) to six (6) months from the date of recording of the "Notice of Default." If the Operator fails to reinstate the senior lienholder before five (5) days prior to the foreclosure sale date, the senior lienholder would then require a full pay off of the balance, plus costs, to cancel foreclosure. If the Operator determines the reinstatement and maintenance of the property not to be cost effective and allows the senior lienholder to complete foreclosure, the Operator's lien may be eliminated due to insufficient sales proceeds.

Operator as Senior Lienholder

When the Operator is in a first position, or the senior lienholder, active collection efforts will begin on any loan that is 31 or more days in arrears. Attempts will be made to assist the homeowner in bringing and keeping the loan current. These attempts will be conveyed in an increasingly urgent manner until loan payments have reached 90 days in arrears, at which time the Operator may consider foreclosure. Operator staff will consider the following factors before initiating foreclosure:

- Can the loan be cured (brought current or paid off) by the owner without foreclosure?

- Can the owner refinance with a commercial lender and pay off the Operator?
- Can the owner sell the property and pay off the Operator?
- Does the balance warrant foreclosure? (If the balance is under \$5,000, the expense to foreclose may not be worth pursuing.)
- Will the sales price of home "as is" cover the principal balance owing, necessary advances, (maintain fire insurance, maintain or bring current delinquent property taxes, monthly yard maintenance, periodic inspections of property to prevent vandalism, etc.) foreclosure, and marketing costs?

If the balance is substantial and all of the above factors have been considered, the Operator may opt to initiate foreclosure. The owner must receive, by certified mail, a thirty-day notification of foreclosure initiation. This notification must include the exact amount of funds to be remitted to the Operator to prevent foreclosure (such as, funds to bring a delinquent BMIR current or pay off a DPL).

At the end of thirty days, the Operator should contact a reputable foreclosure service or local title company to prepare and record foreclosure documents and make all necessary notifications to the owner and junior lienholders. The service will advise the Operator of all required documentation to initiate foreclosure (Note and Deed of Trust usually) and funds required from the owner to cancel foreclosure proceedings. The service will keep the Operator informed of the progress of the foreclosure proceedings. When the process is completed, and the property has "reverted to the beneficiary" at the foreclosure sale, the Operator would then contact a real estate broker to market the home.

ATTACHMENT H

CERTIFICATION OF OCCUPANCY

CITY OF ARTESIA

I/we _____ declare as follows:

(Please Print Occupant's Name(s))

That I/we am/are currently occupying as my/our principal place of residence
the real property commonly known as:

(Address)

(City, State, Zip code)

Daytime Phone Number: _____

Executed on _____, 20____, at _____, CA
(Date) (City)

I/we declare under penalty of perjury that the foregoing is true and correct.

Signature(s) of all occupants:

Occupant: _____

Occupant: _____

Occupant: _____

Occupant: _____

Occupant: _____

ATTACHMENT I

LEAD-BASED PAINT

VISUAL ASSESSMENT, NOTICE OF PRESUMPTION, AND HAZARD REDUCTION FORM

| | | | |
|---|--|---|---|
| Section 1: Background Information | | | |
| Property Address: | | No LBP found or LBP exempt <input type="checkbox"/> | |
| Select one: | Visual Assessment <input type="checkbox"/> | Presumption <input type="checkbox"/> | Hazard Reduction <input type="checkbox"/> |
| Section 2: Visual Assessment. Fill out Sections 1, 2, and 6. If paint stabilization is performed, also fill out Sections 4 and 5 after the work is completed. | | | |
| Visual Assessment Date: | | Report Date: | |
| Check if no deteriorated paint found <input type="checkbox"/> | | | |
| Attachment A: Summary where deteriorated paint was found. For multi-family housing, list at least the housing unit numbers and common areas and building components (including type of room or space, and the material underneath the paint). | | | |
| Section 3: Notice of Presumption. Fill out Sections 1, 3, 5, and 6. Provide to occupant w/in 15 days of presumption. | | | |
| Date of Presumption Notice: | | | |
| Lead-based paint is presumed to be present <input type="checkbox"/> and/or Lead-based paint <i>hazards</i> are presumed to be present <input type="checkbox"/> | | | |
| Attachment B: Summary of Presumption: For multi-family housing, list at least the housing unit numbers and common areas, bare soil locations, dust-lead location, and or building components (including type of room or space, and the materials underneath the paint) of lead-based paint and/or hazards presumed to be present. | | | |
| Section 4: Notice of Lead-Based Paint Hazard Reduction Activity. Fill out Sections 1, 4, 5, and 6. Provide to occupant w/in 15 days of after work completed. | | | |
| Date of Hazard Reduction Notice: | | | |
| Initial Hazard Reduction Notice? Yes <input type="checkbox"/> No <input type="checkbox"/> | | Start & Completion Dates: | |
| If "No", dates of previous Hazard Reduction Activity Notices: | | | |
| Attachment C: Activity locations and types. For multi-family housing, list at least the housing unit numbers and common areas (for multifamily housing), bare soil locations, dust-lead locations, and/or building components (including type of room or space, and the material underneath the paint), and the types of lead-based paint hazard reduction activities performed at the location listed. | | | |
| Attachment D: Location of building components with <u>lead-based paint remaining</u> in the rooms, spaces or areas where activities were conducted. | | | |
| Attachment E: Attach clearance report(s), using DHS form 8552 (and 8551 for abatement activities) | | | |
| Section 5: Resident Receipt of Notice for Presumption or Lead-Based Paint Hazard Reduction Activity and Acknowledgement of Receipt of pamphlet <i>Protection Your Family from Lead in Your Home</i>. | | | |
| Printed Name: | | Signature: | Date: |
| Section 6: Contact Information | | Organization: | |
| Contact Name: | | Contact Signature: | |
| Date: | Address: | Phone: | |