

# **URGENT REPAIR PROGRAM**

**City of Hickory**

**Hickory, North Carolina**

## **ASSISTANCE POLICY**

**2024**

# **URGENT REPAIR PROGRAM ASSISTANCE POLICY**

## **INTRODUCTION**

The North Carolina Housing Finance Agency has awarded \$120,000 to the City of Hickory (the City) based on the City's application for funding to implement the City's "Urgent Repair Program 2024". This program assists qualified very low and low-income homeowners, residing within the municipal boundaries of the City of Hickory (located primarily in Catawba County as well as Burke and Caldwell counties), in need of urgent housing repairs. The funds provided by NCHFA come from the North Carolina Housing Trust Fund and Agency funds. The City of Hickory shall provide an additional \$5,000 to be used in conjunction with these funds.

This Assistance Policy has been modeled from the guidelines prescribed by the North Carolina Housing Finance Agency for recipients of "Urgent Repair Program" funds and describes who is eligible to apply for assistance, how applications for assistance will be rated and ranked, what the form of assistance is and how the repair/modification process will be managed. The City has designed this project to be fair, open, and consistent with the City's approved application for funding and with NCHFA's URP Program Guidelines.

## **1.0 GOALS AND OBJECTIVES**

### **1.1 GOALS**

The goals of the City of Hickory's "Urgent Repair Program 2024" ("URP 24") are:

1. To alleviate housing conditions which pose an imminent threat to the life or safety of very low and low-income homeowners with special needs;
2. To provide accessibility modifications and other repairs necessary to prevent displacement of very low and low-income homeowners with special needs, such as frail elderly and persons with disabilities;
3. To assist a minimum of Eight (8) eligible homes within the municipal boundaries of the City of Hickory.

### **1.2 OBJECTIVES**

The objectives of the City's "URP 24" are:

1. To serve eligible households located within the municipal boundaries of the City of Hickory with urgent repair needs which cannot be met through other state- or federally-funded housing assistance programs;
2. To enable frail elderly and others with physical disabilities to remain in their homes by providing funding for essential accessibility modifications.

## **2.0 PROGRAM REQUIREMENTS**

### **2.1 USE OF FUNDS**

1. Only repairs that address imminent threats to the life and/or safety of occupants of the dwelling unit or accessibility modifications will be performed under the City's URP. It should be noted that all deficiencies in a home will likely not be rectified with the available funds.

2. “URP 24” funds must be used either for hard costs or for “URP 24” support associated with “URP 24” eligible repairs or modifications.
  
3. Eligible repairs must meet the goals as stated in section 1.1 above and rectify deficiencies including but not limited to:
  - 1) combustion appliance and chimney hazards;
  - 2) electrical system hazards;
  - 3) plumbing system hazards;
  - 4) imminent structural system failures (e.g., porches, steps, and roofs);
  - 5) mitigation of environmental hazards such as lead-based paint, asbestos, or soil gases;
  - 6) repairs necessary to prevent the imminent displacement of eligible households;
  - 7) repairs designed to increase the accessibility of the unit to frail or disabled residents, including ramps, hand rails and grab bars, kitchen and bathroom adaptations and door alterations, etc.;
  - 8) imminent threats to life or safety, including those caused by lead, which can be addressed by inexpensive lead hazard reduction activities such as replacing mini-blinds, improving soil conditions around drip lines, replacing windows, etc.; or,
  - 9) other repairs approved by the Agency on a case-by case basis.
  - 10) *Emergency*: A situation in which a household member has an immediate threat of being displaced or removed from a home due to health or safety issues within a time frame that the program can complete a repair to stop displacement or removal. These applications will be received at any time during the funding cycle and elevated based on the ability of the program to complete the work in a timely manner that meets the goal of assisting homeowners to remain in their home. This may be documented with a doctor’s letter or displacement/eviction notice.
  
4. Hard costs are defined, in the case of an independent private contractor performing the repair work, as the contract price; or in the case of City work crews performing the repairs, as the direct costs associated with the repairs including labor, materials, mileage, and tool rental.
  
5. The maximum amount of the loan will depend on the scope of work necessary to address the identified imminent threats to life and/or safety, and that will be determined by the city’s rehabilitation specialist. There is no minimum to the amount of the loan; however, the maximum life-time limit according to the guidelines of “URP 24” is \$12,000.
  
6. Program funds must not be used:
  - 1) in conjunction with any source of state or federal housing assistance (CDBG, HOME, HPG, 504 grants, etc.), other than Weatherization Assistance Program (WAP) assistance, Heating Appliance Repair and Replacement Program (HARRP) assistance, Home and Community Care Block Grants provided by the North Carolina Division of Aging and Adult Services or contributions from local offices of Independent Living;

- 2) on any dwelling unit for which other sources of state or federal assistance are available at the time of the repair work; or
- 3) on any dwelling unit for which other sources of state or federal assistance are likely to become available within six months following the completion of the repair work under the “URP 24”.

## **2.2 PROHIBITED ACTIVITIES**

1. None of the funds provided under the City’s “URP 24” shall be used for any partisan political activity or to further the election or defeat of any candidate for public office.
2. There shall be no religious instruction conducted in connection with activities under the City’s “URP 24”;
3. The City will not discriminate against any applicant or beneficiary of assistance under the “URP 24” program because of race, sex, familial status religion, color, disability or national origin. The City will ensure that applicants are processed without regard to race, sex, familial status, age, religion, color, disability, or national origin. The City will also ensure that any person employed in the performance of any activity under the “URP 24” are also treated without regard to race, sex, familial status, age, religion, color, disability, or national origin.
4. No officer, employee or other public official of the City, or member of the City Council or entity contracting with the City that exercises any functions or responsibilities with respect to “URP 24” shall have any interest, direct or indirect, in any contract or subcontract for work to be performed with program funding, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. Relatives of City employees, City Council and others closely identified with the City, may be approved for rehabilitation assistance only upon public disclosure before the City’s Council and written permission from NCHFA.

## **2.3 FORM OF ASSISTANCE**

1. The City of Hickory’s “URP 24” funds shall be made available to qualifying owner-occupant beneficiaries in the form of a loan. Homeowners will receive an unsecured deferred, interest-free loan, forgiven at a rate of \$3,000 per year, until the principal balance is reduced to zero.
2. The City of Hickory shall use loan documents prescribed and provided by the NCHFA in the administration of URP assistance to qualifying beneficiaries.

## **2.4 ELIGIBLE HOUSEHOLDS**

1. Only qualified low and very low-income owner occupants with special needs can be assisted under the City’s “URP 24”. A minimum of 50% of the City’s “URP 24” funds shall benefit very low-income households with the remainder going to benefit low-income households. This guideline will be adhered to strictly and will be the primary factor in the selection of those households to be assisted under URP24.
2. City of Hickory low-income households are those with gross annual incomes not exceeding 50% of the Median Family Income for North Carolina as defined in the

NCHFA “Urgent Repair Program” manual by number of persons in the household (see Income Limits schedule below).

3. City of Hickory very low-income households are those households with gross annual incomes not exceeding 30% of the Median Family Income for North Carolina as defined in the NCHFA “Urgent Repair Program” manual by number of persons in the household (see Income Limits schedule below).
4. Eligible households must include at least one member or configuration considered as a special need which include households described as the following: elderly, disabled, a single parent, a Veteran, a large family with >5 household members or a household with a child below the age of six with lead hazards in the home. These special needs populations are further defined as follows:
  1. Elderly: A household member who is at least sixty-two (62) years old;
  2. Emergency: A situation in which a household member has an immediate threat of being evicted or removed from a home due to health or safety issues within a time frame that the program can complete a repair to stop eviction or removal. These applications will be received at any time during the funding cycle and evaluated on the ability of the program to complete the work in a timely manner that meets the goal of assisting homeowners to remain in their home.
  3. Disabled: A person who has a physical, mental or developmental disability that greatly limits one or more major life activities, has a record of such impairment, or is regarded as having such an impairment.
  4. Large Family: A large family household is composed of five or more individuals; at least four are immediate family members.
  5. Head of Household: The person or persons who own(s) the house.
  6. Household Member: Any individual who is an occupant (defined below) of the unit to be rehabilitated shall be considered a “household member” (the number of household members will be used to determine household size and all household members are subject to income verification).
  7. Occupant: An occupant is defined as any immediate family member (mother, father, spouse, son/daughter of the head of the household, regardless of the time of occupancy); or non-immediate family member who has resided in the dwelling at least 3 months prior to the submission of the family’s application.
  8. Single-Parent Household: A household in which one and only one adult resides with one or more dependent children.
  9. Child with lead hazards in the home: a child below the age of six living in the applicant house which contains lead hazards.
  10. Veteran: A person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable.

**URGENT REPAIR PROGRAM 2024  
NC STATEWIDE INCOME LIMITS\* FOR  
CITY OF HICKORY BENEFICIARIES**

Number in Household	Very Low Income (30% of Median)	Low Income (50% of Median)
1	\$ 18,650	\$ 31,050
2	21,300	35,450
3	23,950	39,900
4	26,600	44,300
5	28,750	47,850
6	30,900	51,400
7	33,000	54,950
8	35,150	58,500

\*Income limits are subject to change based on annually published HUD HOME Limits and will be updated each year. This update will not require a re-approval of the governing authority. Income limits presented in this schedule are based on 2024 HUD North Carolina Statewide Median Family Income of \$88,600.

**2.5 REPAIR STANDARDS**

Program funds may be used to affect urgently needed repairs or modifications without regard to whether the dwelling unit shall meet any local, state or federal housing quality standards. However, all work done using “URP 24” funds must meet North Carolina State Residential building code standards and be done in compliance with all state or local permitting, inspections, licensing, and insurance requirements.

**3.0 CITY OF HICKORY’S “URP 24” PROGRAM REQUIREMENTS**

**3.1 “URP 24” PROGRAM SCHEDULE**

The City’s “Urgent Repair Program for 2024” shall begin on October 1, 2024 or sooner, based on approval by NC Housing Finance Agency, at which time the City of Hickory’s Community Development Department shall seek applicants by making known to the public the availability of funding through published announcements in local newspapers, through the distribution of “URP 24” brochures, press releases, and announcements posted in public places such as the Municipal Building and Recreation Centers in eligible neighborhoods. All applications must be received by December 1, 2025 with all projects under contract by December 31, 2025. All construction work will be completed no later than February 1, 2026, no exceptions.

**3.2 GEOGRAPHICAL DISTRIBUTION OF “URP 24” FUNDS**

Applications shall be accepted from all qualifying residents who live within the municipal boundaries of the City of Hickory.

**3.3 BENEFICIARY SELECTION PROCESS**

Approximately Eight (8) units will be assisted through the 2024 Urgent Repair Program. Applications for assistance will be accepted on a first come, first to qualify, first-served basis. All applications, along with financial documentation, shall be delivered to the City of Hickory’s Citizens’ Advisory Committee regularly scheduled meeting on the 1<sup>st</sup> Thursday of each month. A minimum of 50% of the units assisted under the 2024

Urgent Repair Program must have income limits less than 30% of the area median. No units with stated income above 30% of the area median will be repaired until the 50% threshold has been met.

### **3.4 APPLICATION PROCESS**

1. Media and personal contact shall be used throughout the City to encourage prospective beneficiaries to make application for “URP 24” assistance. Citizens may apply for URP funding by contacting Anna Beth Walker, Community Development Specialist at (828) 323-7414. The City of Hickory Community Development Department shall provide technical assistance to potential beneficiaries in completing applications for “URP 24” funds. All applications, along with financial, special need and urgent repair need documentation, shall be delivered to the City of Hickory’s Citizens’ Advisory Committee. At regularly scheduled meetings, the Citizens’ Advisory Committee shall review and approve on a first come first to qualify basis, all eligible applications submitted to ensure that beneficiary distribution is consistent with the City of Hickory’s “URP 24” Assistance Policy. Applicants not receiving notification by December 31, 2025 that they were chosen may contact Anna Beth Walker, Community Development Specialist, at (828) 323-7414 to confirm the disposition of the application. Those who have applied for URP housing assistance from the City in the past will not automatically be reconsidered. A new application will need to be submitted for consideration.

Applications shall consist of two parts:

- 1) Application for determination of eligibility, including income, home ownership, and special need documentation;
  - 2) Work write-up and cost estimate.
2. All information in applicant files will remain confidential to the extent permitted by North Carolina law. Access to the information will be provided only to City employees who are directly involved in the program, the North Carolina Housing Finance Agency and auditors.
  3. Complaints concerning the City’s “URP 24” program application process shall be in writing and addressed to the City of Hickory Community Development Department. A representative of the City of Hickory Community Development Department shall contact the person making the complaint and attempt to resolve the problem. A written response will be made within 15 working days of contact. If the complaining party is not satisfied with the response, he or she may file a complaint with the Citizens’ Advisory Committee who will schedule a meeting with the complaining party. The decision of the Committee shall be final and will be made in writing within 5 days.

### **3.5 CONTRACT AND REPAIR PROCESS**

1. The City's Rehabilitation Specialist will visit the homes of potential grant recipients to interview and determine the need and feasibility of repairs/modifications. All parts of the home must be made accessible for inspection, including the attic and

crawlspace, if any. The owner should report any known problems such as electrical short circuits, blinking lights, roof leaks and the like. The Rehabilitation Specialist will prepare a complete and detailed work specifications (known as the "work write-up"). A final cost estimate will also be prepared by the Rehabilitation Specialist and held in confidence until bidding is completed.

Only repairs that address imminent threats to the life and/or safety of occupants of the dwelling unit or accessibility modifications will be performed under the City's URP. It should be noted that all deficiencies in a home may not be rectified with the available funds.

2. After approval of the work write-up, the homeowner will sign a formal agreement that will explain and govern the repair/modification process. This agreement will define the roles of the parties involved throughout the process.
3. The City is obligated under "URP 24" to ensure that quality work is done at reasonable prices and that all work is contracted through a fair, open and competitive process. To meet those very difficult requirements, the City will invite bids only from contractors who are part of an "approved contractor registry". Please request a copy of the City's Procurement and Disbursement Policy for further information.
4. The City will maintain a list of contractors eligible to bid on work financed by "URP 24" funds (approved contractor registry). Such contractors must present evidence of their rehabilitation experience, ability to complete work items in a workmanlike manner, possession of liability and workman's compensation insurance (and RRP Firm Certification which is required for units built prior to 1978), ability to work with the homeowner and City staff, and to complete work on schedule. Contractors not on this list must supply evidence of their qualifications to the City and shall be reviewed for approval by the City. All contractors performing work under this program must possess other contracting licenses as required by the adopted building codes.
5. The City's bid package consisting of a detailed work write-up, contract document, cost proposal form, and instructions to the bidder will be mailed to a minimum of three contractors on the approved contractors registry who will be given a specific period of time in which to inspect the property and prepare bid proposals. The names of the invited contractors will be supplied to the homeowner. Each will need access to those areas of the house, in which work is to be performed, in order to prepare a bid. A bid opening will be conducted at the Community Development office at a specified date and time, with all bidders and the homeowner invited to attend.

After review of bid breakdowns and timing factors, the winning bidder will be selected. Typically, the contract or contracts will be awarded to the low bidder(s). In addition, the selected contractor's bid must be within 15 percent (15%) of the City's cost estimate.

All bidders and the homeowner will be notified of (1) the selection, (2) the amount, (3) the amount of the City's cost estimate, (4) any support or contingency costs that



will be included in the loan amount and (5) if other than the lowest bidder is selected, of the specific reasons for the selection.

6. The promissory note and any modifications (if applicable) will be executed and will be between the homeowner and the City. The cost of the actual work and project related support costs up to the maximum amount of \$1000 will be included in the loan document. The contract for repairs will be between the homeowner and contractor with the City signing as an interested third party.
7. A pre-construction conference will be held at the home or City of Hickory offices. At this time, the homeowner, contractor and program representatives will discuss the details of the work to be done. Starting and ending dates will be agreed upon, along with any special arrangements such as weekend or evening work hours and disposition of items to be removed from the home (such as old plumbing, etc.). Within 24 hours of the pre-construction conference, the City will issue a "proceed order" formally instructing the contractor to commence by the agreed-upon date.
8. The contractor will be responsible for obtaining any required building permits for the project before beginning work. The permit must be posted at the house during the entire period of construction. Program staff will closely monitor the contractor during the construction period to make sure that the work is being done according to the work write-up (which is made a part of the rehabilitation contract by reference) and in a timely fashion. Code Enforcement Officers will inspect new work for compliance with the State Building Code as required by the guidelines of "URP 24". The homeowner will be responsible for working with the contractor toward protecting personal property by clearing work areas as much as practicable
9. Contractors shall not be permitted any partial payment during construction. Upon completion of all (100%) of contracted work and the execution of the City of Hickory's "Certificate of Final Inspection" and the "Owner's Certificate of Satisfaction", payment will be issued. Prior to payment the contractor shall execute a "Contractor's Release of Liens".
10. Contractors must supply lien waivers, signed by all sub-contractors employed on the job and by all material suppliers from whom materials for the job were purchased, and warranties to the homeowner upon completion of work.
11. All Change Orders to the bid specifications must be approved by the homeowner, contractor and two representatives of the City. The change order must be reduced to writing as a contract amendment ("change order"). Loan funds shall not be advanced beyond the permitted maximum (\$12,000) to cover Change Orders. If the changes require an increase in the loan amount, a loan modification stating these changes in the contract amount must be completed by the City and executed by the owner. If the changes result in a decrease in the loan amount, an estoppel informing the homeowner of these changes in the contract amount will be completed by the City and conveyed to the owner.

12. Following construction the contractor and a City Community Development Staff member will sit down with the homeowner one last time. At this conference the contractor will provide any owner's manuals and warranties on equipment. The contractor and the City Community Development Staff member will go over operating and maintenance requirements for any new equipment installed and discuss general maintenance of the home with the homeowner. The homeowner will have the opportunity to ask any final questions about the work.
13. Once all work has been completed in accordance with the Contract and the homeowner has signed a Certificate of Satisfaction, the job will be closed out.
14. In the event of any dispute between the homeowner and the contractor during the repair Modification Process the following steps will apply:
  1. If the homeowner feels that repairs or modifications are not being completed per the contract, he/she must inform the contractor and the City Community Development Department staff, in writing.
  2. The City Community Development Department staff will inspect the work in question. If it is found that the work is not being completed according to contract, the City Community Development Department staff will review the contract with the contractor and ask the contractor to remedy the problem.
  3. If the City Community Development Department staff finds that the work is being completed according to contract, the complaint will be noted and the City Community Development Department staff and the homeowner will discuss the concern and the reason for the City Community Development Department staff's decision.
  4. If problems persist, a mediation conference between the homeowner and the contractor may be convened with the City Community Development Department staff and facilitated by the Citizens Advisory Committee.
  5. Should the mediation conference fail to resolve the dispute, the Citizen's Advisory Committee will render a written final decision.

### **3.6 CLIENT REFERRALS**

The City of Hickory's Community Development Department has a Community Service Directory available to all applicants who are interested or in need of other assistance. When the Urgent Repair Program staff meet the homeowner during the work write-up process, they will discuss the resources and programs available in the City and provide a free copy of the City's Community Service Directory which includes a list of the agencies with contact information.

**3.7 CONTACTS**

The contact for the City of Hickory’s Urgent Repair Program is:  
Anna Beth Walker, Community Development Specialist  
Office of Business Development  
City of Hickory  
76 N Center Street  
Hickory, NC 28601  
(828) 323-7414

2024 Urgent Repair Program Assistance Policy, approved and adopted  
by the City of Hickory, this \_\_\_\_ day of \_\_\_\_\_, 2024.

By: \_\_\_\_\_  
Warren Wood, City Manager

Notary Public: \_\_\_\_\_