

Frequently Asked Questions

“What happens to my house if I pass away or have to go into a nursing home?”

If your housing needs change within 10 years, your relatives, if income eligible, could live in the house, the house could be rented to an LMI person or the house could be sold (and a portion of the grant amount repaid to your community out of the sale price). After a 10 year period, the terms of the loan have been satisfied (meaning the lien will be released) and no further requirements apply.

“Why did my neighbor get a new house, but you only fixed my old house?”

In some cases, houses are in such bad shape that they must be demolished and new ones provided. In some cases, a house could be rehabilitated instead of demolished and brought up to a safe, decent and affordable level. The Rehab Specialist helps to determine this.

“What happens if I miss a payment?”

If your finances change during your loan period, you should let the grant manager know immediately. In most cases, a new payment plan better suited to your current ability-to-pay can be worked out. Any penalties must be described in the Program Design, and you should ask for a copy of this before you fill out your application.

“Why can’t the contractor just do some additional work while he’s here?”

The grant pays for specific types of repairs based on the mission of providing safe, decent, and affordable housing, and cannot pay for cosmetic items, such as porches, decks, or spare bedrooms. Also, the funds are limited, and there is only so much available for each house. We can only do as many houses as possible by honoring fair and consistent limits for everyone.

“What if I just don’t want to participate in this program?”

While we want everybody eligible in the community to benefit from the program, participation is voluntary. If you are eligible to receive assistance but do not want it, you will be asked to sign a form stating so, and no other requirements will be placed on you.

“What if I have a complaint about how this program is being done?”

As part of the planning grant, your community will develop a written complaint and appeals procedure. You will be able to request a copy from your grant application upon its completion. Generally speaking, if you have a question or a complaint, the first step will be to talk to the grant manager. If you are not satisfied with any proposed resolution, you will be able to submit a written complaint, stating your complaint and desired outcome. You will be able to appeal the grant manager’s written resolution to the Housing Rehab Board.

What You Need to Know About Housing Rehabilitation



Facts about the State-funded Rehabilitation in Your Neighborhood

Questions should be directed to:

Prepared by
Program Administration and Assistance Office
Department of Housing and Community Development
600 East Main Street, Suite 300 • Richmond, Virginia

What is this? Your community applied for and has received a Community Development Block Grant (CDBG) from the Virginia Department of Housing and Community Development (DHCD). CDBG funding is available to assist low- and moderate-income (LMI) residents with housing and infrastructure needs. In your neighborhood, these funds will provide safe, decent and affordable housing for you and your neighbors. With your active participation, this project can help transform the entire neighborhood!

How can this help you? The state's definition of "safe, decent, and affordable housing" includes making sure all homes meet guidelines known as the DHCD Housing Quality Standards (sometimes called HQS). If your house is in need of repairs before it can meet these standards, this program can help pay for those improvements to be made on your behalf.

How do you sign up for this? You will need to fill out an application form. Since we need the owner of the property to give permission for repairs to be made, you will also need to prove who owns your house. The application form will also ask for information about your income, and it is important that you provide it. This program is only available to low- and moderate-income households and we must be able to prove you meet that definition.

What is the definition of "low- and moderate-income"? Your household's total income must be equal to or less

than the figures in this chart in order for you to be able to participate in this program. The "grant manager" is a person in your community working with state government to get the grant funds; he or she can help you determine the total income for your household. This person will also need to prove the dollar figure is accurate, so you will need to allow them to receive or see official paperwork, such as pay stubs and bank statements. ***All applications and attached paperwork will be kept confidential and in a locked file drawer!*** The dollar amounts in this chart and the rules the grant manager follows are set by the federal government.

What happens after the application form is complete? Applications are reviewed by a Housing Rehabilitation Board, which is made up of local people from your neighborhood and community. A ranking system is used to decide who can receive housing assistance with this program, and

Size of Household	Income
1	
2	
3	
4	
5	
6	
7	
8	

they usually try to help the ones with the most need first. The ranking system and other information on the program will be described in a document called "Housing Program Design". The program design will be developed as part of the planning grant your community has received.

After your application is approved by the Housing Rehabilitation Board someone hired by your community called a "Rehab Specialist" will visit your home to see what repairs need to be made. The Rehab Specialist will be comparing your home to the DHCD HQS, and will make a list of needed repairs as well as an estimate of what those repairs may cost. You will need to allow this person to come into your home and look in all rooms, as well as the crawlspace or basement and attic.

The Rehab Specialist will also be responsible for assisting the Housing Rehabilitation Board in the hiring of a contractor to make the repairs, inspecting the work, and making sure the contractor gets paid.

What kind of repairs are typical? Housing rehabilitation is not "remodeling". Instead, it is making improvements to your house that focus on electrical, heating, plumbing, foundations, windows, and doors. Work can also be done to help make the home easier to live in for those with physical disabilities, if this applies to people in your family.

How much does it cost to make repairs? The CDBG program has maximum amounts that can be spent on each house depending on what work is needed. Help from our program is limited to this amount for every family who participates. Each house is put out to bid using the same process, and contractors submit their costs to do the work. The Rehab Specialist and Housing Rehabilitation Board will decide which contractor to use if more than one bid is received. No contractor can be hired to do the work unless the cost limits are followed. The grant manager will explain the cost limits to you.



Will it cost me anything? The rehabilitation work will be done using a 0% interest loan. The Grant Manager will use your income information to find out how much you can afford to repay for the costs of repairs. This is based on a formula set by the federal government. You will be required to pay at least \$25 each month for up to ten years. The difference between what you pay and what the repairs actually cost is what a construction grant will pay.

Paperwork will be filed with the Court (a "lien" will be placed on your house) as official record of the state investment and describing the terms. Please ask the Grant Manager for additional information on how the 0% interest loan works and for a definition of the terms related to loan closing.