



REDEVELOPMENT AGENCY OF PROVO CITY EGRESS WINDOW PROGRAM GUIDELINES

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The Redevelopment Agency of Provo City reserves the right to change this program and required documentation as necessary.

1/16/19

No qualified person shall be denied the benefits of, the participation in, or be subjected to discrimination under any program or activity funded by the City of Provo on the basis of race, color, national origin, sex, religion, disability or familial status.



GENERAL OVERVIEW

The Egress Window Program (the “Program”) is being provided by Provo City and administered by the Redevelopment Agency of Provo City (RDA). Provo City is making egress window loans/grants for low- to moderate-income owner-occupants of single-family residential properties within the City through the Program. Emphasis is placed on those residences located in the CDBG eligible neighborhoods. The program will provide 2* egress windows per home to eligible homeowners. Funds for the Program are available to the City through the federal Community Development Block Grant Program (CDBG), under Title I of the Housing and Community Development Act of 1974, as amended. Funding is limited, applications will be processed on a first-come, first-eligible basis until the funds available are exhausted. When funds are exhausted, a waiting list will be established for interested applicants.

*Possibility of more than 2 windows based on need and funding availability.

PROGRAM PURPOSE

The purpose of the Program is to increase the supply of housing stock with more bedrooms for larger families and to protect the health and safety of the homeowner and their family.

EGRESS WINDOW DEFINITION

An egress window is a window or a window and window well large enough, as defined by local building codes (Section R310 2012 IRC), for exit or entry in case of an emergency. Code requires that the opening of an egress window be equal or greater than 5.7 square feet, with a minimum opening height of 24 inches, and a minimum opening width of 20 inches. Window wells are required if the window is below ground level.

ELIGIBLE PROPERTIES

The dwelling must be a single-family residence, in a residential zone located within the city limits of Provo. The property may not be occupied by renters. The property must be the principal residence of all applicants and household members.

TERMS

0% interest, deferred loan secured by a promissory note and trust deed. On the anniversary date of the 3rd year, 1/3 of the loan could be forgiven, 1/3 each year thereafter if owner occupied (proof of occupancy must be submitted for forgiveness). On the anniversary of the 5th year, if the borrowers still occupy the property the loan could be completely forgiven (upon proof of occupancy). If the home is sold within the first two years of the loan or is not owner-occupied, a penalty of 50% of the loan balance will be added to the original balance.

ELIGIBLE APPLICANT AND DOCUMENTATION

Owner-Occupant – the owner-occupant's gross annual household income must be equal to, or less than, 80 percent of area median income as revised annually by the U.S. Department of Housing and Urban Development (HUD) for the Provo area. Applicant must be the owner and occupant of the house to be rehabilitated and possess fee simple title to the property. Applicant must be current on mortgage and property taxes and have homeowner's insurance. The property must be their primary residence and owner must certify the home is not being offered for sale.

Participants – The Applicants for the Program will be required to provide income and household size documentation. Applicants for the Program must provide documentation for all persons in the household to verify they are U.S Citizens, U.S. Nationals or Permanent Resident Aliens. Applicants must also meet income limits.

INCOME LIMITS

The total household income of an applicant must not exceed the income limits established for the Program. This limit is established at 80% of the median area income for low income households, adjusted household size, as determined by HUD and updated annually.

All individuals living in the household (whether family members or not) will be considered part of the household and included to make the eligibility determination, except for:

- a) Foster children;
- b) Live-in aides;
- c) Children of live-in aides;
- d) Unborn children; and
- e) Children being pursued for legal custody or adoption who are not currently living with the household.

Effective June 1, 2018
Maximum Household Income

1 Person	2 Persons	3 Persons	4 Persons
\$41,850	\$47,800	\$53,800	\$59,750
5 Persons	6 Persons	7 Persons	8 Persons
\$64,550	\$69,350	\$74,100	\$78,900

Income of all adult household members: Total Household Income means the total income of all household members over 18 years of age who will be residing at the home, whether they are family members or not. Household members include individuals who will be living in the home including the head of household, spouse/partner, children, extended family members, or others listed as dependents in the submitted application or federal tax forms.

Anticipated Income: Income will be calculated by reviewing income sources for the prior three months from the time of application and will be projected for the next 12 months.

Income Verification: All income must be fully documented and verified. Stated income is NOT allowed. Income shall include:

- a) The gross amount, before any payroll deductions of wages and salaries, overtime pay, commissions, fees, tips and bonuses and other compensation for personal services;
- b) The net income from operation of a business or profession or from rental of real or personal property. Expenditures for business expansion or amortization of capital indebtedness shall not be deducted to determine the net income from a business;

- c) Interest, dividends and other net income of any kind from real or personal property;
- d) 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;
- e) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay;
- f) Public Assistance. If the public assistance payment includes an amount specifically designated for shelter and utilities which is subject to adjustment by the public assistance agency in accordance with the actual cost of shelter and utilities, the amount of public assistance income to be included as income shall consist of:
 - 1) The amount of allowance or grant exclusive of the amount specifically designated for shelter and utilities, plus
 - 2) The maximum amount which the public assistance agency could in fact allow for the family for shelter and utilities;
- g) Periodic and determinable allowances such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling; and
- h) All regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is head of the family or spouse.

Self-Employment Income

For self-employed applicants the net income from the operation of a business or profession is considered as the annual income. Three years of signed and dated individual tax returns, with all applicable schedules, and signed and dated copies of federal business tax returns with its corresponding schedules is required. A 12-month Profit and Loss Statement is also required.

Assets

Income from assets is counted as part of the annual household income. In general terms, 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. It is the income earned – e.g. interest on savings account or 401 K – not the asset value, which is counted in annual income. Actual or imputed interest income from assets in excess of \$5,000 will be included in the total household income.

Applicants may not have cash assets or cash available (liquid assets) in excess of \$15,000. Applicants with more than \$15,000 in liquid assets are NOT eligible for the Program.

SUBORDINATION REQUIREMENTS

Subordination of the Egress Window Loan is allowed when the new loan is a streamline loan with a fixed rate and must have a 30-, 20- or 15- year term. Borrower's account must be current, which in the case of deferred/forgiveness loans means continuing to be owner occupants of the property for which the assistance was provided and if within the forgiveness period proper paperwork has been turned in for the forgiveness portion. Homebuyer must intend to continue to occupy the property as their principal place of residence. A comparison of the old and new loans must be provided including amounts, interest rates, monthly payments and terms for both loans. HUD's and GFE must be provided for the new proposed loan. A copy of the pay-off from the mortgage to be paid must be included.

The RDA will subordinate once in a three-year period for free. If additional subordinations are requested or required, a \$250.00 fee each must be paid. Templates for the Subordination Agreement and Request for Notice will be provided by the RDA.

PRIDE OF OWNERSHIP DETERMINATION

An applicant may be declared ineligible for assistance where evidence exists of low pride of ownership in his/her property which is not primarily attributable to the low-income status or a physical inability to properly maintain the home or site. Conditions which may warrant deferral or denial of assistance under this paragraph include:

- (a) Abuse by Animals: evidence of unsanitary conditions or of damage to floors, carpets, furnishings, or yards caused by animal urine or feces.
- (b) Illegal or Improper Use of the Property: use of the property for purposes other than as a single-family residence in violation of building, zoning, local ordinances, e.g., maintaining or operating junking, salvage, auto storage or repair, woodcutting or storage (other than for personal use), or activities on the property when such use is illegal, constitutes a health or safety hazard or is a visual detriment to the neighborhood.
- (c) Deliberate Abuse: excessive damage to the home or fixtures not attributable to normal wear and tear.
- (d) Housekeeping and Maintenance: conditions of clutter or unseemliness in or around the house when such conditions constitute a potential health or safety hazard to staff, contractors, employees or others, will severely hamper or increase the costs of rehabilitation work, or adversely impact the appearance of the neighborhood.

Determination of eligibility may be deferred for a specified period (30 days) to allow time for the homeowner to correct the low pride of ownership condition(s).

FINAL DETERMINATION

Once the applicant has met the basic criteria for the Egress Window Program, the Program Administrator has the authority to approve the application and determine how many windows will be done. If there is anything unusual about the application or other opinions are needed it will be sent to an Egress Window Committee for further recommendations.

CONTRACTING FOR REHABILITATION

Construction work financed through this Program will be undertaken only through a written contract between the contractor and the owner(s). The City will assist each recipient in arranging for and obtaining an acceptable construction contract. The construction contract will consist of a document signed by the contractor and the owner(s) and the following steps will be taken before a contract is signed:

1. All contractors shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work by the Contractor, their agents, representatives, employees or subcontractors.
2. All contractors must be currently licensed by the State of Utah. All contractors must also have a Data Universal Numbering System (DUNS) No., must be registered with Sam.gov (System for Award Management) database for the U.S. Federal Government, E-verify, have a current business license and be properly insured.

3. The Environmental Protection Agency (EPA) requires all firms performing renovation, repair and painting projects that disturb lead-based paint in homes, child care facilities, and schools built before 1978 be certified.

The Department of Housing and Urban Development (HUD) requires all workers and supervisors to complete a HUD-approved curriculum in lead safe-work practices, except that non-certified renovation workers need only on the job training if they are supervised by a certified Lead Based Paint (LBP) abatement supervisor who is also a certified renovator.

4. Provo RDA will issue an RFP to solicit qualified contractors and will award the contract to one contractor to be the sole Egress window installer.

Completed work must be satisfactory to the owner(s), and Provo City. Both the owner(s) and the contractor will give the Provo City Building Inspector access for all inspections.

In the event a dispute arises between the contractor and the owner(s) in regard to the rehabilitation work, the procedures outlined below concerning Grievance Resolution Procedures will apply.

GRIEVANCE RESOLUTION PROCEDURE

A grievance shall mean an alleged claim or dispute by an applicant, recipient or contractor participating in the Program with respect to the interpretation and application of the provisions set forth in the Egress Window Program.

Nothing in this procedure shall preclude the right of the two parties to meet and verbally discuss the grievance in an attempt to resolve the issue. Grievances as hereinafter defined shall be processed in the following manner:

A program applicant, recipient or contractor who feels he/she has a grievance shall present such grievance within thirty (30) calendar days from the time the matter comes to his/her attention. Such grievance shall be submitted in writing and filed with the City Recorder's Office.

CONFLICT OF INTEREST

No person who is an employee, agent, consultant, officer or elected official or appointed official of the participating jurisdiction, State recipient or subrecipient which are receiving funds directly involved in the implementation of and who serves in a decision or policy-making capacity with the Program shall obtain a financial interest or benefit from the Program or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

OTHER PROGRAM GUIDELINES

The Program must comply with the Fair Housing Act and shall be administered and assistance rendered to participants and prospective participants without discrimination on the basis of race, color, national origin, religion, gender, disability or familial status.

The Program must comply with Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 which provides that only United States citizens, United States non-citizen nationals and “qualified aliens” are eligible for public benefits. To ensure compliance, the Program follows the guidance provided by the United States Department of Justice and the United States Department of Housing and Urban Development.