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A RESOLUTION ADOPTING POLICIES PERTAINING TO THE PROVISION OF ASSISTANCE FOR THE PURPOSE OF A HOUSING REHABILITATION GRANT TO LOW TO MODERATE INCOME OWNER OCCUPANTS UNDER THE CITY'S COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM.

BE IT RESOLVED that the following statements shall be established as the policy of the City and shall guide the implementation of the City's CDBG Program until such time as they may be amended or deleted by the City Council:

I. GENERAL POLICY STATEMENTS

Subject to the basic eligibility requirements and general conditions contained herein, it shall be the policy of the City of Tatum, Texas to provide grant assistance to low to moderate income owner occupants for the purpose of housing rehabilitation. This policy covers such rehabilitation activities carried out under the City's Community Development Block Grant Program and shall be subject to the availability of CDBG grant funds.

II. BASIC ELIGIBILITY REQUIREMENTS

To be eligible for grant assistance under this program, the eligibility requirements on the following page must be met:

A. LOCATION

The assistance under this program is limited to dwellings located within the City's 1981 CDBG Target Area(s).

B. INCOME

Participation under this program is limited to persons of "low to moderate income" defined by the City as follows:

Family Size	Non-Metro Upper Income Limits
1	\$ 7,555
2	8,634
3	9,714
4	10,793
5	11,468
6	12,142
7	12,817
8	13,492
9	14,166
10	14,841
11	15,515
12	16,190

C. PROOF OF OWNERSHIP

All applicants shall be required to supply proof of their ownership of the dwelling to be improved with funds under the CDBG Program. Such proof shall be in the form of 1) warranty deed, 2) deed of trust, 3) widow's certificate, 4) land sales contract, 5) quitclaim deed, and 6) or other documentation as determined by the City

clearly proving the applicants " life estate" in the subject of property.

D. FEASIBILITY FOR REHAB

Though an applicant may be found eligible in all other respects, the City may deny rehabilitation assistance should the dilapidated condition of a structure indicate that the rehabilitation is not a feasible alternative, considering the City's estimate of rehab cost, "pre-rehab" and "after rehab" values of a dwelling.

III. GENERAL CONDITIONS

A. PAID UP TAXES

Prior to being approved for rehabilitation assistance, all applicants will be required to submit evidence, in the form of a tax certificate of paid up taxes from the City of Tatum. + other taxing jurisdictions

B. FIRE AND CASUALTY INSURANCE

Prior to being approved for rehabilitation assistance, applicants will be required to submit evidence that the fire and casualty insurance is in force in an amount equivalent to 80% of the dwellings estimated future improved value as determined by the City.

IV. REHABILITATION GRANT ASSISTANCE

Successful applicants meeting the basic eligibility requirements conditions contained herein will be awarded a grant, set forth in a written Grant Agreement in an amount equal to the lesser of the following:

- 1) An amount necessary to satisfy a contract between the applicant and an independent contractor determined by means of competitive bids obtained through public formal advertising, for the scope of work required, or
- 2) A maximum grant per dwelling of \$ 7500.00 , for rehabilitation.

In addition to the above amounts, a special contingency amount of \$ 1000.00 per dwelling is authorized which may be drawn upon to supplement the basic rehab grant in the event of unforeseen additions to the needed rehabilitation work encountered during the course of rehabilitation.

V. REHABILITATION AND ENERGY CONSERVATION STANDARDS

Standards adopted hereby as minimums to which all homes receiving assistance under this program must conform after rehabilitation are the H.U.D. Section 8 Housing Quality Standards for Existing Housing and the H.U.D. Cost Effective Energy Conservation Standards at 24 CFR 39.

VI. CONTRACTOR REQUIREMENTS

A. BONDING

In lieu of cash or performance bonds, 10 % of the contract amount will be withheld by the City for a period not less than 30 days after the date of final inspection. This retainage will be released once a favorable supplemental inspection has been performed.

B. INSURANCE

Prior to receiving a Notice to Proceed, all contractors^{ORS} will be required to submit evidence that a minimum of \$20,000 of General Liability Insurance is in force, and evidence that their employees or subcontractors are covered by Workmen's Compensation.

C. ONE YEAR WARRANTY

All contractors will be required to furnish the owner with a one year warranty on materials and workmanship with respect to the rehabilitation work performed. Failure to correct any deficiencies in workmanship or materials covered by this warranty shall result in the immediate disbarment of the contractor from performing future CDBG funded work in the City until such time as the deficiencies are corrected.

D. H.U.D. CLEARANCE

All contractors prior to receiving a Notice to Proceed must receive H.U.D. clearance.

VII. SPECIAL CONDITIONS

(Local Option)

Passed and Approved this 8th day of Sept, 1981 by the City
Council of the City of Tatum, Texas.

Cecil Williams

Mayor

ATTEST:

Helen Simpson

City Secretary