



MaineHousing
Maine State Housing Authority

Mobile Home Replacement Program

2015 Procedures Guide

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SECTION 1: GENERAL SCOPE

1.1 Introduction

The Maine Energy, Housing and Economic Recovery Program established under 30-A MRSA §4862 provides funds to replace hazardous, unhealthy and inefficient manufactured homes that do not meet the United States Department of Housing and Urban Development regulations under 24 CFR, Part 3280. To accomplish this goal, MaineHousing, in consultation with the Community Action Agencies (“CAAs”), has developed the Mobile Home Replacement Program (“MOHO Replacement Program”). MaineHousing has \$1,267,000 available proceeds for the MOHO Replacement Program.

1.2 Responsibilities of MaineHousing

MaineHousing will review eligibility and application materials; make final project funding decisions; provide on-going technical assistance; conduct in-progress and final property inspections; perform financial and programmatic monitoring of CAA activities; and complete grant closeouts.

1.3 Responsibilities of CAAs

Participating CAAs are responsible for the day-to-day implementation of MOHO Replacement Program activities including: screening of potential applicants; determining applicant and property eligibility; estimating project costs; submitting application materials to MaineHousing for review and approval; competitively bidding MOHO Replacement Program projects; managing on-going construction activities; providing support and guidance to homeowners throughout the MOHO Replacement Program process; coordinating homeowner education classes for MOHO Replacement Program participants; conducting in-process and final project inspections; submitting approved invoices to MaineHousing for funding; making construction payments to contractors; managing dispute resolution between contractors and MOHO Replacement Program recipients; and submitting grant closeouts.

1.4 Time Period

The MOHO Replacement Program runs from August 1, 2015 until November 30, 2015 or until funds are fully committed, whichever comes first. Applications are limited to one per CAA for the first two months following issuance of the program.

1.5 Priority for MOHO Replacement Program Funding

CAAs will give priority for funding to those whom the CAA determines are in the greatest need.

SECTION 2: HOMES, PROPERTY AND INCOME

2.1 Eligible Homes and Property

Applicants must own a manufactured home assembled prior to 1976, which does not meet the United States Department of Housing and Urban Development regulations under 24 CFR, Part 3280, and the real property where the home is located. Ownership may be through a warranty deed or quit claim deed; bonds for deeds, and life estates. **Rented or leased land properties are not eligible for assistance.**

2.2 Additional Property Eligibility Requirements

- a. The applicant must have owned and occupied the home for at least one (1) year prior to making an application.
- b. The applicant must provide proof of the age of the mobile home for which MOHO Replacement Program assistance is being sought. This may be in the form of manufacturer's tag, tax records, bill of sale or other records.

- c. Assistance will not be granted to owners who are currently selling or planning to sell their home and/or property.
- d. MOHO Replacement Program activities cannot take place in a floodplain and a copy of the Flood Insurance Rate Map (FIRM) clearly indicating the location of the replacement home must be submitted to MaineHousing prior to project approval.
- e. Outstanding municipal tax liens on an applicant's property must be paid in full prior to approval of funding.

2.3 Mortgages & Tax Liens

A Merchants Report is required and is an eligible project cost. The applicant must not be in arrears at the time of construction on mortgage payments that would bring about a foreclosure of the home. Likewise, the applicant must not be delinquent in real estate taxes to the point where the town has placed a lien on the property. Exceptions can be made if, upon consultation with the town tax assessor, it is determined that the applicant has a long history of paying their taxes faithfully, but only after a lien has been placed. Applicants who are in danger of losing their property through foreclosure for unpaid taxes are not eligible.

2.4 Income Eligibility

Applicant's [total household] gross annual household income must not exceed 80% AMI as determined by HUD. The applicant must provide documentation from all sources of household income reported on the application. In cases where the annual income is variable or derived from self-employment, the applicant must provide federal income tax returns for the two previous years.

2.4.1 Definition of Income.

This section defines what is considered income and must be used in the process of qualifying applicants for the program. Income eligibility is based on total household income for the twelve month period prior to the date of application for program benefits unless a person is unemployed as set forth below.

2.4.2 Total Household Income

For the purpose of this program, total household income shall include the combined gross income of all household members, excluding dependents under the age of 18 or dependents attending school on a full-time basis. In cases involving household members who are earning an income but are not owners of the property or dependents as listed above, only that income which they contribute to the household shall be considered in determining the gross income of the household. Said contribution is not to be less than twenty (20) percent of that household member's gross income.

2.4.3. Sources of Income.

Include, but are not limited to: wages, salaries, commissions, pensions, annuities, social security, TANF, general assistance payments, aid to the disabled, VA benefits, unemployment benefits, support/alimony, and other income such as interest, dividends, and rental income. The amount of rental income will be determined by deducting, on a pro rata basis, such items as mortgage interest payments, taxes and insurance. Depreciation shall not be considered to be a deductible expense.

Items not considered income are:

- a. Casual, sporadic or irregular gifts, inheritances or tax refunds.
- b. Amounts which are specifically for or in reimbursement of the cost of medical expenses.
- c. 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. Applicants must not however, exceed the asset limits.

- d. Amounts of educational scholarships paid directly to the students or to the educational institution and amounts paid by the Government to a veteran for use in meeting the costs of tuition, fees, books, and equipment. Any amounts of such scholarships or payments to veterans, not used for the above purposes or which are available for subsistence, are to be included as income.
- e. The special pay to armed forces personnel, head of a family away from home, and exposed to hostile fire.
- f. Relocation payments made pursuant to Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.
- g. Foster child care payments.
- h. The value of benefits received pursuant to the Food Stamp Act of 1964.
- i. Payments received pursuant to participation in the following volunteer programs:
 - i. National Volunteer Anti-Poverty Programs which include VISTA, Service Learning Programs and Special Volunteer Programs.
 - ii. National Older American Volunteer Programs for persons aged 60 and over, that include Retired Senior Volunteer Programs, Foster Grandparent Program, Older American Community Service Program, National Volunteer Program to assist Small Business Experience, Service Corps of Retired Executives (SCORE) and Active Corps of Executives (ACE).

2.4.4 Income when Unemployed.

An applicant who is unemployed and wishing to qualify for assistance as an owner-occupant must have been unemployed for a period of 90 continuous days in order for income to be calculated on the basis of unemployment status at the time of application.

2.4.5 Deductions from Income.

The following expenses that may be deducted from the gross household income prior to determining program eligibility. The gross household income, minus the following deductions shall equal the income figure from which program income eligibility will be determined.

- a. If medical expenses for the past 12 months exceed 3% of the total gross household income, then said expenses, including health insurance premium payments, shall be deducted from the gross household income.
- b. A \$500 deduction shall be given for each member of the family who is under 18 years of age.
- c. If child care is necessary so that a member of the family can work, then the costs incurred for said child care shall be deductible from the gross household income.

2.5 Asset Test

- a. An applicant with household assets exceeding \$15,000 is not eligible for assistance.
- b. An applicant who owns substantial assets, such as large plots of land not contiguous to replacement site, second homes, vacation homes, and rental units or other real estate as determined by the CAA, is not eligible for assistance.

2.6 Homeowner Education Requirement

CAAs will provide the following training to homeowners:

- a. Responsibilities as a homeowner, including property taxes and homeowners insurance.

- b. Avoiding predatory lending and financial scams, including identity theft and credit card fraud.
- c. Maintaining and repairing a home, including seasonal upkeep, energy conservation, and monitoring health and safety measures (smoke and carbon dioxide detectors, fire extinguishers).
- d. Improving budgeting skills, maintaining good credit, building a savings plan, being prepared for unforeseen events, stopping unwanted solicitations, and keeping good records.
- e. What to do if they find themselves in financial trouble.

Participating CAAs will submit a plan for provision of Homeowner Education with each application for MOHO Replacement Program project funding.

SECTION 3: ELIGIBLE MOHO REPLACEMENT HOMES

3.1 Size and type

Size and type of replacement housing will be determined by size and makeup of family approved for MOHO assistance. See the example *Floor Plans* provided by MaineHousing. (Note: these plans will serve as a reference but are not a mandatory requirement. However, square footage and bedroom sizes must be followed as outlined below.)

- a. One bedroom stick built with full basement: Units will only be allowable on a case by case basis with prior approval by MaineHousing and not exceed 800 square feet of living area.
- b. Two bedroom stick built with full basement: Units must be single story and not exceed 850 square feet of living area.
- c. Three bedroom stick built with full basement: Units must be single story and not exceed 1,050 square feet of living area.
- d. Four bedroom stick built with full basement: Units must be single story and not exceed 1,200 square feet of living area.

Household composition determines bedroom size. See table below for examples.

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| One bedroom allocation for head and spouse or cohead | <i>Example: Head of Household or Head of Household and Spouse or Head of Household and cohead</i> |
| One bedroom allocation for an <u>only child</u> or two children of the same gender | <i>Example: One girl, age 17 or two boys age 4 and 11</i> |
| One bedroom allocation for every two adults (not head, spouse or cohead) regardless of gender | <i>Example: Two other adults ages 20 and 21 regardless of gender</i> |
| Two bedroom allocation for two children of opposite genders | <i>Example: One boy age 13 and one girl age 15 will each be allocated their own separate bedroom.</i> |
| <u>One bedroom</u> allocation for an approved Live-In Aide | <i>The unit is the live-in aide's primary residence (Aide is residing full-time with the family) for the unit size to increase to include the live-in aide. Multiple care givers collectively providing around-the-clock/24-hour care does not constitute the "live-in aide status" for an additional bedroom.</i> |

- e. Maine manufactured modular homes with full basement: Units will be allowed only if the existing lot/land configuration make construction of a stick built home impossible. Modular homes must be ENERGY STAR rated.

3.2 Codes and Standards

All stick built homes will meet all zoning, environmental, and land use laws, regulations, and ordinances, local and state codes including as necessary: Maine Uniform Building and Energy Code, International Residential Code, Maine Subsurface Wastewater Disposal Rules, Maine Internal Plumbing Rules, National Electric Code (NFPA 70), Standards for the Installation of Oil Burning Equipment (NFPA 31), Standards for Chimneys, Fireplaces, Vents, and Solid Fuel-Burning Appliances (NFPA 211), Installation of Propane and Natural Gas Equipment (NFPA 54 with Amendment), and Life Safety Code (NFPA 101).

- a. Foundations of replacement home(s) must meet a minimum standard of a frost wall foundation with insulated slab on grade full foundations are permissible.
- b. All appliances and heating systems provided and installed by MOHO will be ENERGY STAR rated.
- b. Replacement homes utilizing accessibility modifications to meet ADA are permissible.
- c. Maine manufactured modular homes must be installed according to the Department of Professional and Financial Regulation, Manufactured Housing Board, Chapter 890: Manufactured Homes Installation Standards.
- d. All pre-1976 mobile homes located at the replacement site must be demolished and demolition debris removed from the premises prior to project completion.
- e. To reduce costs replacement, homes will be sited as close as possible to existing mobile home.
- f. Wherever feasible, replacement homes will be connected to existing well and septic. Municipal sewer/water will be used if available at site.

Prohibited types of construction activities include:

- Garages and carports
- Decks, patios or large porches (exception for ADA requirements)
- Storage and out buildings
- Finished basements
- Recreational facilities

SECTION 4: ELIGIBLE COSTS FOR MOHO

MOHO Replacement Program funds may be used for costs associated with the following:

- a. Construction of the replacement home; demolition and removal of the old mobile home; site work; utility connections; water and sewer; temporary relocation of owner; Merchants Report.
- b. Payoff of any pre-existing mortgage on the property for which the outstanding balance is not more than \$10,000;
- c. Project administrative fees for CAAs;
- d. Homeowner education; and
- e. Other costs as determined by MaineHousing.

SECTION 5: MAXIMUM PER UNIT COSTS

5.1 Construction (including site work utilities, sewer, water, etc.)

Because of the variables associated with geographic diversity, site work, sewer, water, etc. there is no maximum cost related to the replacement activities. MaineHousing will review each application for MOHO Replacement Program assistance and associated cost estimates for reasonableness prior to making a funding decision.

5.2 Project Administrative Fees for CAAs

Project administrative fees will not exceed 10% of the MOHO Replacement Program project total.

5.3 Homeowner Education

Maximum of \$1,000 per MOHO Replacement Program project.

5.4 Temporary Relocation

There is no maximum amount for temporary relocation; MaineHousing will review and approve all requests from CAAs.

SECTION 6: FINANCIAL ASSISTANCE

Financial assistance will be in the form of a 5-year deferred forgivable loan. This is a zero percent interest loan with no loan payments which acts as a grant as long as the property is not sold. The mortgagee is MaineHousing.

SECTION 7: PROCUREMENT OF SERVICES BY CAAs

7.1 For services \$10,000 and under

CAAs will solicit by phone, email, vendor website, catalog or price list, or similar means one price quote if the CAA considers the quoted price reasonable based on one or more factors identified by the CAA, such as recent purchases of, or research on, goods or services of the same kind or related knowledge or expertise; otherwise, CAA will solicit two price quotes by similar means. Copies of all procurement records, including basis for contract selection must be retained in the CAA files.

7.2 For services over \$10,000

CAAs will send to at least three vendors a written request for quote when price is the primary or only factor to be considered; or a written invitation to submit proposals when selection factors in addition to price will be considered, stating the date by which vendor responses must be received. Copies of all procurement records, including basis for contract selection must be retained in the CAA files.

SECTION 8: COMPETITIVE BIDDING

8.1 Preparing Bid Documents

Upon completion of the property inspection, the CAA will use the Floor Plan and *Construction Specifications* (Appendix A) to develop cost estimates for material and labor associated with the project.

8.2 Distribute to Bidders

Provide the completed *Notice to Contractors*, *Floor Plan*, *Construction Specifications* and the *Construction Proposal* to bidders.

8.3 Contractor Selection

Select a minimum of three contractors from the pool to bid on the project.

8.4 Bid Period

Normally allow a minimum two-week bid period.

8.5 Site Visits

It is the responsibility of the contractor to call the client and arrange for an on-site inspection. Contact information is included on the *Notice to Contractors*. Contractors who bid without visiting the worksite may have their bids rejected at the discretion of the CAA.

8.6 Addendums

If it becomes necessary to change the scope of work prior to the bid opening the CAA must issue an "Addendum" to the Contractor Specifications and send it to all bidders. The Addendum must indicate the work items to be added or deleted and an extension of the bid period if necessary to accommodate the bid revisions. Only in cases where substantial portions of the work must be changed should Addendums be used. Minor changes in the scope of work can be addressed by a *Change Order* issued prior to the pre-construction meeting and closing to revise the scope and final contract price.

8.7 "Bid As Written" Rule

Occasionally contractors will, during the bid period, question why a certain work item was specified as it was, or why certain work items were not included in the bid. If the issue is valid but does not rise to the level of significance where an Addendum should be issued to revise the Construction Specifications, the correct response is "Bid as Written". The issue can be addressed by Change Order issued after award but prior to the closing if necessary.

8.8 Dealing with Unknowns in Bidding

When preparing technical specifications the HRT should avoid including work items that contain some unknown element. Only include work items whose nature and extent are readily observable. Contractors asked to bid on work items that include some unknown element will always increase the bid on that item to protect themselves, or try and include conditions on their bid. Bids received with notes on the Construction Proposal Form that attempt to deal with the unknown element should be rejected as unresponsive. Better to exclude the questionable work item from the bid and deal with it once the contractor is on the job and can investigate the unknown issue, at which time it can be dealt with by Change Order.

8.9 Bid Opening

Bids must be opened in the presence of another CAA staff member and must be open to the public. Record the bids on the standard *Bid Opening Record* Form and sign it. The contractor with the lowest bid is termed the "Apparent Low Bidder." Contractors who write in conditions on their *Construction Proposal* or otherwise alter it may have their bids rejected as being unresponsive at the discretion of the CAA.

8.9.1 Bid Opening Record

Enter the name of the project, names of the bidders, and the bids as reported on the *Construction Proposal*. Enter the name of the low bidder as the "Apparent Low Bidder". After the bid opening examine all bids for completeness and complete the Bid Tabulation.

8.9.2 Bid Tabulation Sheet

Compare the Construction Proposals with the total bid calculated by the Bid Tabulation Sheet. Make any corrections necessary and initial the corrected *Construction Proposal*. Occasionally, math errors, or other irregularities discovered after the bid opening, may result in the apparent low bidder not being awarded the contract.

8.10 Bid Tabulation and Contract Award

Enter the name of the contractor at the top of each column and the specification section line items from all bids into the *Bid Tabulation Sheet*. Correct and initial any math errors found on the Construction Proposal. Enter the contractor's name that the bid is awarded to. Call the client to report the results of the bidding and who you propose to award the contract to. Send the *Bid Tabulation Sheet* to all bidders by email.

8.11 Completed Bids

A bidder's completed (and final) Construction Proposal must be incorporated as Exhibit A of the Construction Contract and signed by both the homeowner(s) and the contractor. Each page will also be initialed and dated by both.

SECTION 9: PROJECT DOCUMENTATION

9.1 Project File

CAA shall establish a file to retain all documentation pertaining to the project. Documentation must be maintained as indicated in these *Guidelines* and be available for review by MaineHousing upon request and during monitoring visits.

9.2 Document Checklists

MOHO Replacement has developed comprehensive Phase 1 and Phase 2 Document Checklists which lists the documents required for project financing, as well as assigns documents to specific sections of a project file folder. This will enable CAAs to more efficiently monitor and/or review project files. All project files must contain copies of the Phase 1 and Phase 2 Document Checklists.

- a. The Phase 1 Document Checklist should be signed and delivered to MaineHousing along with the MOHO Replacement Invoice after completion of the first phase of the project.
- b. The Phase 2 Document Checklist should be signed and delivered to MaineHousing, along with the MOHO Replacement Invoice upon completion of the project.

9.3 Documents: Property Ownership

9.3.1 Property Deed

Applicants must have a legal property deed such as a Warranty Deed or Quit Claim Deed.

9.3.2 Bill of Sale for Mobile Home

Owners of mobile homes must show evidence of ownership of the mobile home by means of a written Bill of Sale, if available or other satisfactory documentation.

9.3.3 Property Tax Bill

The Applicant must provide a copy of their current real estate tax bill with the application documentation.

9.4 Documents: Project Management

9.4.1 Property Inspection Checklist.

Complete for every project

9.4.2 Work Write-Up/Cost Estimate.

The CAA will review submitted bids to determine cost reasonableness as part of the bid award. The CAA will note explanations on his/her Work Write Up/Cost Estimate. The comparison and all bid documents will be maintained in the client file.

9.4.3 Bid Tabulation.

Enter the names of the bidders and then enter the line item bids from each Construction Proposal Form on the Bid Tabulation Sheet. If there are no irregularities in the bid, enter the name of the low bidder as the awardee.

The winning Construction Proposal will be submitted to MaineHousing as part of the bid tabulation process

9.4.4 Notice to Proceed. Complete this form after the Pre-Construction/Closing meeting and after funds are on-hand to cover the cost of the project. Email the signed form to the Contractor and put the original in the file.

9.4.5 Construction Contract.

Complete Parts 1 & 2 prior to the Closing. Part 3, "Commencement & Completion Dates", can be completed at the Pre-Construction Meeting held prior to the Closing. In Part 4, "Method of Payment", enter the name and address of the CAA as the Escrow Agent. Attach the Construction Specifications applicable Floor Plan, and *Construction Proposal* to the Contract as Appendix A.

9.4.6 Construction Escrow Agreement.

At the top of the form enter the names of Owner and Contractor. Enter the name of the CAA as "Escrow Agent". Fill in the applicable amounts in Part 2.

9.4.7 Photograph of Home.

Multiple color photographs are required to be submitted to MaineHousing and copies kept in the file.

9.5 Documents: Project Close-out

9.5.1 Recorded Mortgage Deed and Exhibit A.

9.5.1 Original Promissory Note.

9.5.3 Certificate of Final Inspection.

Complete this form after the final inspection is complete and retain the original in the project file. If the final inspection generated a Punch List there are two options for completion of the form. If the Punch List contains substantial items of work that require a follow-up inspection, wait and have the client sign the form after the last inspection. If, however, the Punch List contains only minor work items, then it is acceptable to leave the form with the client with instructions to sign and return the form after the Punch List has been completed to their satisfaction.

9.5.4 Certificate and Release of Liens.

Complete this form prior to the final inspection and retain the original in the project file. Enter the amount of the final payment still owed the contractor. Send to the contractor for signature and retain the original in the project file.

9.5.5 Photograph of Completed Project.

Print enough photos to adequately show the substantial work items at completion of the project.

9.5.6 Punch List.

Enter any work items that either are incomplete or are not of satisfactory quality at the time of the final inspection. Make a copy for the file and send the form to the contractor.

SECTION 10: STEP-BY-STEP PROCESS

10.1 CAA and MaineHousing sign a MOHO Replacement Program Contract.

10.2 CAA identifies an interested prospect.

CAA schedules site visit to meet homeowner and conducts property inspection, gathers necessary documentation, and requests additional information as necessary. Digital photographs should be taken which document hazardous and life safety concerns as well as overall condition of property.

10.3 CAA completes *Screening Worksheet* and conducts initial review of eligibility of property and household.

10.3.1 If initial review is favorable,

CAA assists household in completion of MOHO Replacement Program Application. Gross annual household income for MOHO Replacement Program must not exceed 80% AMI and is determined using the verification process set forth in Section 3.

10.3.2 If property and household are eligible for MOHO Replacement Program,

A comparison with other MOHO Replacement Program applicants is conducted to determine priority for assistance. Households with the greatest need as determined and documented by the CAA are served first.

10.4 CAA completes a *Property Inspection Checklist*.

The property inspection will provide the information necessary to prepare a project cost estimate. The information gathered during the property inspection includes lot size, utilities, sewer/water, etc. The applicants will be given a detailed description of the MOHO Replacement Program process, projected timeline, possibility of the need for temporary relocation, homeowner education requirement, and who from the CAA will be their contact during the MOHO Replacement Program process. While the homeowner is not able to pick the size and/or design of the replacement home (see Section 3 for eligible MOHO Replacement Program homes) they participate in the decision on the materials, such as the color of the flooring, countertops and other aesthetic features, as applicable.

10.5 CAA technical staff prepares a *Work Write-Up/Cost Estimate*.

Detailed cost estimates will be prepared using knowledge of local building costs, past projects and construction estimate software. All cost estimates must be documented using the *Work Write-Up/Cost Estimate* form, and must contain itemized costs for all building components, site work, heating and sewer/water. Plans for the replacement homes are provided in the *Floor Plans and Construction Specifications*. It is important to note that replacement homes are not to exceed maximum square footage limits contained in Section 3 of this Guide.

10.6 Pre- Approval

10.6.1 CAA submits MOHO funding request on behalf of applicant.

Request must include a Pre-Approval cover sheet, copy of the *MOHO Replacement Program Application*, written verification as to how the application was prioritized, plan and schedule for homeowner education classes, copy of the FIRM clearly indicating the location of the replacement home, detailed work write-up/cost estimate, a sufficient number of clear digital photos to document conditions at the applicant home and a copy of the proposed floor plan in minimum 9" x 11" format.

10.6.2 MaineHousing will respond within five (5) business days to application request.

Response will be either approval, request for more information, or denial with reason. In the case of more information being requested, MaineHousing will respond within three (3) business days from date of resubmission.

10.6.3 MOHO Application is approved by MaineHousing.

CAA will solicit bids for MOHO Replacement Program contractor on behalf of homeowner using the *Notice to Contractors Requesting Bids* form. The procurement process will comply with Section 7 of this Guide and written records of process will be retained in CAA files. A minimum of 2-3 weeks should be allowed for submission of bids.

10.7 Pre-Construction: CAA should prepare documents client signatures.

- a. Construction Contract
- b. Promissory Note
- c. Mortgage Deed. Prepare an "Exhibit A" to accompany the mortgage deed. This exhibit is the legal property description. Owner should sign this document at closing. Record the Mortgage Deed in the county registry of deeds.
- d. Construction Escrow Agreement
- e. Notice of Right to Cancel. Complete this form by entering the name of the CAA and its mailing address at the top of the form. Enter the date of the closing and the address of the client under "Description of Loan." The deadline for cancellation is midnight of the third business day after the date of the loan. Make two copies, have the client sign both at the bottom where they acknowledge receipt of the notice. Give one copy to the client and put the other in the file. Instruct the client that if they want to cancel the loan they must sign the notice and mail or deliver to the CAA.
- f. Notice of Preliminary Approval. When all elements of the project are in place, complete this form. Set the closing date, time, and place. Enter the name and contact information of CAA staff that will be available to answer questions. Verify that the Contractor is available at that time prior to sending notice to the client.
- g. Release and Hold Harmless. Enter the name of the CAA in the blank space provided. Have the client sign this at the closing. CAA staff can sign as witness.
- h. Notice to Proceed. Complete this form after the Pre-Construction/Closing meeting and after funds are on-hand to cover the cost of the project. Email the signed form to the Contractor and put the original in the file.

10.8 CAA and MaineHousing conduct site visits and in-progress inspections.

CAA will work with homeowner to ensure process is managed as efficiently and seamlessly as possible with as minimal interruption to family as possible.

10.9 Requests for Payment by Contractor

All requisitions require a CAA inspection, a *Certificate and Release of Liens* signed by the Contractor, *Contractor Payment Request* form signed by the Contractor, the CAA Inspector and the Applicant/Owner, and a Maine Energy, Housing Economic Recovery Reporting Form. Complete these forms prior to the final inspection and retain the originals in the project file. Enter the amount of the final payment still owed the Contractor on the *Certificate and Release of Liens* and send to the Contractor for signature and retain the original in the project file. Contractor shall provide proof of disposal of pre-1976 mobile home before final payment will be issued.

10.10 Final Payment and Inspection

CAA completes the *Certificate of Final Inspection* after the final inspection is complete and retain the original in the project file. Complete the *Certificate and Release of Liens* form prior to the final inspection and retain the original in the project file. Enter the amount of the final payment still owed the Contractor. Send to the Contractor for signature and retain the original in the project file.

Contractor shall provide proof of disposal of pre-1976 mobile home before final payment will be issued.

10.11 Notice of Final Disbursement

CAA sends a *Notice of Final Disbursement* (Appendix A to Promissory Note) to the owner after the final payment has been made. If any sums remain in the construction escrow, CAA will return those sums to MaineHousing to pay down the owner's note.

SECTION 11: REPORTING REQUIREMENTS

The CAA will provide all information, together with any supporting documentation, required by MaineHousing in form and substance acceptable to MaineHousing to comply with the reporting requirements under the Maine Energy, Housing and Economic Recovery Program, including without limitation, the type of housing, the location, the costs associated with each MOHO Replacement Program project, the number of direct construction jobs created or maintained by the project, the amount of direct construction wages paid in creating and maintaining said construction jobs, and the amount and type of building materials purchased in connection with the project.

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