

LEAD HAZARD REDUCTION GRANT PROGRAM (Federal Lead)
MAINE LEAD PAINT HAZARD ABATEMENT PROGRAM (State Lead)

SINGLE-FAMILY APPLICANT INFORMATION

INSTRUCTIONS: This *Applicant Information Form* describes the Lead Hazard Reduction Grant Program (Federal Lead) and Maine Lead-Paint Hazard Abatement Program (State Lead), collectively referred to as the “Lead Program,” requirements and provides a list of things that property owners need to know, and need to do before making a commitment to receive funds from the Lead Program. The Community Action Agency will access the needs of the Applicant and make Lead Program funding recommendation based on Lead Program eligibility requirements. Applicant should retain this *Application Information* with their records.

1. HOW THE PROGRAM WORKS

MaineHousing’s Lead Program is administered by Community Action Agencies (CAA). The CAA will take an *Owner Application*, perform all necessary eligibility verifications, and inspect the work as it is being performed. After the Owner has signed all necessary documents and if all guidelines are met, MaineHousing will fund the project with Federal Lead Program and/or State Lead Program funds being held on the Owner’s behalf. MaineHousing uses funds from the U.S. Department of Housing & Urban Development, Real Estate Transfer Tax and other state and federal funds to provide funding for the Lead Program.

2. FEDERAL LEAD PROGRAM GENERAL INFORMATION

- a. A Federal Lead Grant is available for eligible Owner occupied single-family homes. The homeowner will be required to sign several documents, including an *Application*, grant documents, a *Construction Contract* and other documents necessary for completion of lead hazard abatement/remediation work. Homeowners must also provide proof of income (such as check stubs and complete income tax returns) and will need to provide proof of property ownership and property insurance (e.g, current property tax bill).
- b. The maximum Federal Lead Grant amount that a single-family homeowner can receive is \$16,000. The homeowner must use the dwelling benefiting from the receipt of Lead Program funds as the principal residence and there must be a child under the age of 6 years permanently residing in the home. This amount may not be enough to treat all of the lead hazards in the home. MaineHousing reserves the right to increase the loan amount on a case-by-case basis, contingent upon available funds. MaineHousing also reserves the right to declare the project too expensive or economically unfeasible and to deny the project.
- c. In addition to the Federal Lead Grant funds, additional grant money is available to conduct Healthy Homes Rating System (HHRS) environmental assessments in eligible homes and related Healthy Homes (HH) interventions in select units receiving Lead Program Grant funds. Healthy Homes interventions will address indoor allergens, household injury risks, mold, radon and other home-based environmental health hazards as identified by the HHRS. The maximum allowed funding pre HH intervention is \$3,238.
- d. Owners with properties located in a FEMA recognized Special Flood Hazard Area will not be allowed to participate in the Federal Lead Program.

3. STATE LEAD PROGRAM GENERAL INFORMATION

- a. A State Lead Grant is available for eligible Owner-occupied single-family homes. The homeowner will be required to sign several documents, including an *Application*, grant documents, a *Construction Contract* and other documents necessary for completion of lead hazard abatement/remediation work. Homeowners must also provide proof of property ownership and property insurance (e.g., current property tax bill).
- b. The maximum State Lead Grant amount that a single-family homeowner can receive is \$30,000. The homeowner must use the home as the principal residence. MaineHousing reserves the right to declare the project too expensive or economically unfeasible and to deny the project.
- c. The Owner of property that receives assistance under the State Lead Program shall pay a portion of abatement/remediation costs as follows: At least 10% of the costs of abatement if not under abatement orders; at least 25% of the costs of abatement if the building is under abatement orders.

4. TEMPORARY RELOCATION

- a. Single Family Owners may be eligible for relocation grants of up to \$1,250 to help with temporary relocation.
- b. Relocation grants can be used for moving expenses, costs for alternative housing and other relocation related expenses. Homeowners are responsible for having the home vacant and ready for contractor work prior to commencement of work.
- c. Owners may have to move furniture and belongings out of work areas so that the contractor can perform the work. Homeowners must find alternative housing for pets.

5. RETURNING HOME

The Owner (and tenants) cannot return home until all of the interior work is completed and the dust wipe clearance test passes. There may be additional work that needs to be completed on the exterior of the property. This can be done safely while the occupants live in the home.

5. ACKNOWLEDGEMENT OF LIMITED FUNDS

Funds being provided to me/us under the Lead Program may not be sufficient to address all lead hazards in or around the Property. The Owner will be responsible for providing any additional funds which may be necessary to address all such hazards. MaineHousing Prepared by MaineHousing

reserves the right to deny any project if completion of project cannot be met under Program funding guidelines. MaineHousing will review each project on a case by case basis.

6. OTHER REQUIREMENTS

- a. Property insurance is required for all properties enrolled in the Lead Program.
- b. Only qualified, licensed abatement contractor can perform the work. Owners cannot use grant proceeds to pay for his/her own labor or to purchase his/her own materials to perform the work. **Note:** Owners who are licensed lead abatement contractors may seek pre-approval from MaineHousing for reimbursement of materials only. Owners who are licensed lead abatement contractors must receive pre-approval from MaineHousing in order to seek reimbursement for costs related to materials for the lead abatement project. Please contact the Community Action Agency for additional information.
- c. Work cannot commence until the *Application* is approved **AND** the required Lead Program Grant documents and other required Federal Program Grant documents have been signed. Any work started prior to Lead Program Grant closing will not be funded by MaineHousing.
- d. During the work, the contractor will need to use water, electricity and other utilities. The cost for the use of these utilities will be at the expense of the Owner.
- e. Site visits will be conducted by staff from the CAA and MaineHousing during the construction phase.

7. CONTRACTOR PROPOSALS

- a. The CAA will obtain a minimum of three bids from separate, qualified contractors to perform the work. The contractor must be a Maine Department of Environmental Protection licensed lead abatement contractor and or a Lead Smart Renovator (if the type of work allows for a Lead Smart Renovator).
- b. Owners should check the Contractor's past performance through references and the Better Business Bureau. The CAA may be able to assist.
- c. The CAA will award the project to the lowest bidder. If Owners choose a contractor whose bid is higher than another, **the Owner will be responsible** for paying the difference between the low bid and the bid the Owner chooses.

8. CONTRACTS

MaineHousing's Federal Lead Program and State Lead Program require a *Construction Contract* to be signed by the Owner and the chosen contractor. The CAA will provide the *Construction Contract*.

9. CONTRACTOR PAYMENTS

- a. No payments will be released to the contractor until the CAA authorizes payment. Final payment will be withheld until the contractor passes a visual inspection and a lead dust wipe clearance test performed by the CAA.
- b. The Owner, the chosen contractor and the CAA will enter into a *Construction Escrow Agreement*. This enables the CAA to hold and distribute the construction funds on the Owner's behalf and in accordance with program rules.

10. RESOLUTION OF DISPUTES

MaineHousing uses a standard procedure for resolving disputes among the owner, the contractor, and the CAA concerning the rehabilitation of a home. The CAA is initially responsible for resolving disputes. If a dispute arises concerning the provisions of the signed *Construction Contract* or the performance by the parties, contact the CAA immediately and describe the complaint. If the CAA is unable to informally resolve the dispute, the CAA will assist the parties through the following process:

- a. Notice of Dispute. Within five business days of becoming aware of a dispute that is not readily resolved, the CAA will send MaineHousing a notice of the dispute with a copy of any written correspondence from the complainant. The CAA will also send a copy of the notice of dispute to the complainant. If MaineHousing learns of the dispute first, MaineHousing shall, within three working days send the CAA a notice of dispute along with any correspondence from the complainant. For the most efficient process, contact the CAA first, not MaineHousing.
- b. Informal Conference. The CAA will set up an informal conference to be held within fifteen days from when the CAA becomes aware of the dispute. The CAA will notify all parties of the date, time and place of the informal conference giving reasonable consideration to the schedules of all parties and the severity of the dispute. If the informal conference produces a resolution to the dispute, the CAA will prepare a document signed by all parties involved in the dispute that plainly states the agreed upon resolution.
- c. Binding Arbitration. The lead hazard construction contract and/or the general construction contract between the contractor and the Owner will contain a binding arbitration clause. If the informal conference does not produce a resolution, the CAA will issue a document stating that no resolution was reached and that the parties will participate in a binding arbitration proceeding to be held as soon as possible after the informal conference. Unless the CAA, Owner, and contractor otherwise agree, the arbitration shall be conducted in accordance with the construction industry arbitration rules of the American Arbitration Association. The decision of the arbitrator will be final.

IF YOU DO NOT UNDERSTAND ALL OF THE INFORMATION CONTAINED IN THIS APPLICANT INFORMATION, PLEASE CONTACT YOUR COMMUNITY ACTION AGENCY FOR CLARIFICATION BEFORE SIGNING.