



What is the CDBG Housing Rehabilitation Program?

Housing Rehabilitation programs are designed to provide funding assistance that will benefit low- and moderate-income persons so that they can remain within their homes.

Funding is provided by the US Department of Housing and Urban Development through Community Development Block Grants. In Massachusetts, are distributed to local and regional programs by the Massachusetts Executive Office of Housing and Livable Communities (formerly known as the Department of Housing and Community Development).

The primary purpose of a Housing Rehabilitation program is to bring residential units into compliance with all applicable federal, state, and local codes. The goal of housing rehabilitation programs is to provide necessary improvements that will result in affordable and safe housing for low- and moderate-income people.

What are the Program Eligibility Requirements?

Income eligibility is dependent on HUD income guidelines and is determined based on the total household income of all residents over the age of 18. Income is documented through such items as Social Security statements, bank accounts, and wage statements. Some housing rehabilitation programs give special consideration to certain demographics, such as seniors and single-parent households.

To be eligible, the property must not have any outstanding liens or be in foreclosure, and the homeowner must be up to date on local property taxes.

Housing rehabilitation programs are not limited to single-family owner-occupied units. However, there are low to moderate-income occupancy requirements for multi-unit structures.

Typical Projects:

- Lead paint removal
- Septic system repairs or replacement
- Structural repairs
- Roofing repair
- Foundation repair
- Installation of energy-efficient windows and doors
- Insulation and weatherization
- Accessibility improvements
- Plumbing repairs
- Electrical repairs
- Water supply improvements
- The elimination of lead paint hazards and code violations is the highest priority.

BRPC PROGRAM

Community Development Program
berkshireplanning.org/programs

How Do the Programs Work?

The structure of each program varies based on local needs. Some programs may have a specific deadline for applications, while other programs may review applications on a rolling basis. Some programs have chosen a two-part application process that includes a pre-application and full application to lessen the documentation burden on ineligible applications.

In general, program administration staff accept applications from applicants, review the applications, determine income eligibility, conduct inspections, and allocate funds to qualifying rehabilitation projects based on selection criteria.

For those projects selected for funding, program staff manage environmental reviews, work write-ups, a cost estimate, the bidding process, and the execution of all contract documents. Program staff assist the homeowner with the procurement of a Massachusetts-licensed pre-qualified contractor to complete the work through a formal bidding process.

The submitted bids are reviewed by the housing rehabilitation specialist, program staff and the homeowner, and, in most cases, the lowest qualified bidder is awarded the contract for the work.



Chimney repairs are a common use of Community Development Block Grant funds.

The selected contractor and homeowner sign a construction agreement covering the budget and scope of work. When the work is completed to the satisfaction of the homeowner, the housing rehabilitation program, and the local building inspector, and all have signed off on the work, the contractor is paid.

The funds are provided as a 0% interest, deferred payment, or forgivable loan, known as a Deferred Payment Loan. Payment is deferred unless the property is transferred. To receive funding, the homeowner must agree to the placement of a 15-year lien on the property in the amount of the loan. The amount owed is decreased by 1/15th each year until the entire amount is forgiven.

Examples:

Adams

The town of Adams administers a [housing rehabilitation program through the town's Community Development Department](#). Eligible applicants include low to moderate income homeowners and investor owners with low to moderate income tenants. Maximum awards are typically \$30,000.

Pittsfield

The city of Pittsfield has administered a [housing rehabilitation program](#) for over forty years.

Additional Resources:

[Berkshire Regional Planning Commission](#)

Berkshire Regional Planning Commission currently manages a regional Housing Rehabilitation Program for Becket, Dalton, Sheffield, and Stockbridge and works with communities and town officials to design housing rehabilitation programs best suited for the community's needs.

[Executive Office of Housing and Livable Communities](#)

The Executive Office of Housing and Livable Communities provides tax credits and funding programs to encourage rehabilitation and creation of safe, affordable housing, including the Community Development Block Grant program. DHCD also supervises state funded public housing programs as well as Chapter 40B Subsidized Housing Inventory.