

TOWN OF ISLIP COMMUNITY DEVELOPMENT AGENCY



HOUSING REHABILITATION PROGRAM

15 Shore Lane, P.O. Box 5587
Bay Shore, New York 11706
(631) 665-1185

PHIL NOLAN
ISLIP TOWN SUPERVISOR

BOARD OF DIRECTORS

Christopher D. Bodkin, Chairman
Joseph A. De Vincent
Steven J. Flotteron
Eric Hofmeister
Joan B. Johnson

EXECUTIVE DIRECTOR

Paul Fink

ASSISTANT DIRECTOR

Salvatore Matera

TOWN OF ISLIP COMMUNITY DEVELOPMENT AGENCY



BOARD OF DIRECTORS

Christopher D. Bodkin, Chairman

Joseph A. De Vincent • Steven J. Flotteron • Eric M. Hofmeister • Joan B. Johnson

Michael A. LoGrande, *Honorary Chairman*

Paul Fink, *Executive Director* • Salvatore Matera, *Assistant Director*



Dear Islip Homeowner

Thank you for your interest in the Home Rehabilitation program offered by the Town of Islip Community Development Agency (CDA). This program has helped hundreds of Islip residents to repair building code violations and to improve their homes. Enclosed is an application and a brochure explaining the procedures and eligibility requirements.

After reading the program brochure, if you need additional details regarding the program and the application process, please call our office at (631) 665-1185. Our Housing Coordinator Terry Toth (extension 22) will be more than happy to assist you.

In addition to meeting the federal income requirements, you must also have owned and occupied your home for at least one year. If you think you meet the requirements stated in the brochure, please thoroughly complete the application and send it to the attention of Vivian Tilford at this office.

In addition to your completed application, you must also provide copies of the following required documentation. Your application cannot be processed unless we have this information. You will have 90 days from the time we first receive your application to provide the balance of the required documentation. Failure to provide this information will result in your application being returned to you and your job being cancelled.

1. Income Verification
 - Submit **signed** copies of the most recent Federal and State Income Tax Returns for all household members, **including all** schedules and W-2 forms, or a letter from you stating that based on your income, you are not required to file a Federal or State income tax return. If you do not file, please also contact the IRS and request a letter stating that you are not required to file an income tax return (Department of Treasury No: 1-800-829-1040). If you are not required to file an income tax return, please also provide a copy of your bank statement(s)
 - Four (4) most recent consecutive pay stubs for **each** employed household member (including full-time college students)
 - Award letters for each household member receiving Social Security, SSI, Compensation, or pension benefits
 - Most recent complete bank or investment statements if your benefits are deposited directly, or if you are using these funds to help meet your monthly expenses

- If any household members are self-employed, please submit their most current financial statement and business income tax return (or Schedule C if sole proprietor)
 - If children in the household over the age of 18 are full-time students, please provide evidence of their Full-time educational status
2. Property deed
 3. Property survey which accurately reflects all current property conditions, including extensions, sheds, garages, pools, fences, etc.
 4. Certificate of Occupancy (C.O.), or, Certificate of Compliance (C.C.) indicating any extensions, deck, out buildings, pools or any other changes to the premises which required a building permit
 5. Property tax bill
 6. Homeowners insurance policy declaration page and paid premium
 7. Information on all mortgages, including current balances and amounts of monthly payments
 8. Disclosure and explanation of liens or judgments against you or your property
 9. Rental permit, if a legal rental unit is on premises
 10. Proof of citizenship

Please note the following:

- If an illegal rental unit is on premises, it must be dismantled or legalized before the CDA can provide any assistance
- Any out building(s) totaling over 139 1/2 sq. ft. and any deck higher than 18 inches must be listed on the C.O.

Thank you again for your interest in our programs.

Yours sincerely,



Paul Fink
Executive Director

PF/vt

**TOWN OF ISLIP COMMUNITY DEVELOPMENT AGENCY REHABILITATION
PROGRAMS FOR OWNER-OCCUPIED HOMES
2009**

I. INCOME

The maximum household income guidelines for this program are as follows:

<u>Family Size</u>	<u>Maximum Income</u>
1	\$57,000
2	\$65,150
3	\$73,300
4	\$81,450
5	\$87,950
6	\$94,450
7	\$101,000
8+	\$107,500

II. OBJECTIVE:

This CDA Program helps homeowners make repairs to their homes with construction costs of up to a maximum of \$50,000. Loan repayment period will be no more than 15 years. Work may include the following:

- A. Removal of housing code violations, our first priority
- B. Heating, plumbing and electrical repairs
- C. Exterior remodeling, such as roofing, windows and siding
- D. Interior renovations, including kitchens and bathrooms
- E. Removal of architectural barriers and construction of accessible rooms

Please note that the building materials used in these jobs will be standard "Builder's Grade." CDA does not finance custom or upgraded materials.

III. LOAN FINANCING:

The Community Development Agency's Loan Committee will review all of the documentation that has been submitted, including family income, credit history, indebtedness and extent of required work, and determine whether the agency will approve a loan to the applicant. Clients who have had a bankruptcy within the last three years will not be approved for any loan through the CDA.

Typically, an installment plan will be suggested wherein the applicant repays 75% of the cost of improvements, with **no** interest, over a period of five to fifteen years.

Example:

Mr. and Mrs. Homeowner are approved for \$25,000 worth of rehabilitation assistance. They would pay the agency back \$18,750 (\$25,000 x .75) in payments of \$104.17 per month over fifteen years. Upon satisfactory completion of all of the installment payments, the remaining balance of \$6,250 would be forgiven.

PLEASE NOTE:

1. Failure to pay your installment loan may result in foreclosure action.
2. The CDA rehabilitation mortgage will not be subordinated to a refinanced first mortgage on your home unless the refinance is for a lower interest rate on the existing principle balance with no cash out. This is not a guarantee of subordination and the decision of whether or not to subordinate to a new first mortgage is at the sole discretion of the CDA.

IV. PROGRAM STEPS:

1. Once the application and documentation have been received and reviewed, you will be contacted to set up an appointment for the inspection of your home.
2. A trained CDA Rehabilitation Specialist will work with you to prepare a work write up. The write up will be based on housing conditions and family income.
3. The application, documentation and work write up will be presented to the Loan committee for review, approval, and terms.
4. CDA staff will assist you in bidding the work to a licensed and insured general contractor.
5. A closing will be scheduled where you sign the CDA loan agreement, mortgage and note. **You, the homeowner, have the right to retain an attorney for this mortgage closing.**
6. The homeowner awards a contract to the low-bidding contractor for rehabilitation work. A work schedule will then be established.

7. CDA Rehabilitation Specialists will assist homeowner in supervising work performed under this contract.
8. The CDA will make partial payments to the contractor based on performance. Final payment will be made when your job is completed and you have signed the completion certificate.
9. Once the job is completed, the contractor will receive final payment. You will then receive payment coupons and your repayment of this loan begins.

PLEASE NOTE

1. CDA employees are available to the public during the Agency's normal office hours, 8:30 a.m. to 5:00 p.m., Monday through Friday. All work will be done between the hours of 8:30 a.m. to 5:00 p.m. It is important that you make your home available to the CDA Rehabilitation Specialists and contractors for work write-ups, inspections, and construction work during these hours. Failure to make your home available during these hours may result in the job being cancelled.
2. Please keep in mind that the entire process takes at least a year to complete from the date your application is received. The Agency will make every effort to begin work as soon as possible for qualified homeowners. Please keep in mind that all progress stops if you have not submitted all required documentation. You will have 90 days from the time we receive your application to provide the balance of the required documentation. Failure to provide this information will result in your application being returned to you and your job being cancelled. All work is done on a first come first served basis. Depending on workload, your job may be put on a waiting list.
3. The CDA **does not** provide emergency repairs.
4. The assessed value of the home as indicated on a property tax bill may not exceed \$45,000.

GENERAL RELEASE FORM

I (We), hereby authorized the Town of Islip Community Development Agency or its designated Agency to obtain and receive all records and information pertaining to eligibility for the Housing Rehabilitation Loan Program, including employment, income, credit, and banking information from all persons, companies, or firms holding or having access to such information.

This authorization hereby gives the Town of Islip Community Development Agency the right to request all information that we can obtain from any persons, company or firm on any matter referred to above.

I, (We) agree to have no claim for defamation, violation of privacy, or otherwise, against any person or firm or corporation by reason of any statement of information released by them to the Town of Islip Community Development Agency for the purpose of the Housing Rehabilitation Program. The terms of authorization shall commence on the date of signature and be in force for a period of two (2) years.

Please Type or Print Clearly

Applicant	Co-Applicant
1. _____ Name	1. _____ Name
2. _____ Any other name(s) know by in the past 7 years	2. _____ Any other name(s) know by in the past 7 years
3. _____ Current Address	3. _____ Current Address
4.a. _____ Other addresses in the past 2 years	4.a. _____ Other addresses in the past 2 years
b. _____	b. _____
5. _____ Social Security No.	5. _____ Social Security No.
_____	_____
Signature	Signature
Date	Date

Town of Islip Notice to Homeowner and Authorization to Perform Lead-Based Paint Inspection and Testing

Starting September 15, 2000, new regulations by the Environmental Protection Agency (EPA) and the U.S. Department of Housing and Urban Development (HUD) went into effect regarding Lead-Based Paint. The regulations apply to all HUD-funded programs, including the one for which you have applied.

The regulations require that any house **built before 1978** must be **tested** to determine the existence (or non-existence) of any lead-based hazards in either the paint or structural components which might be released into the house if they are disturbed by renovations.

Please be aware that lead-based paint has been found to be harmful to the health of adults, and extremely harmful to small children, often causing permanent disability. If children under age 7 are exposed to even microscopic amounts of lead-based paint, brain damage may result, and the child may suffer from both physical and emotional problems for the rest of his/her life.

Whether or not there are children in the home, lead testing and abatement must now be done when a HUD-funded loan or subsidy is provided.

The Community Development Agency cannot guarantee that ALL lead will be removed from your house. All existing hazards will be removed from those parts of your home where the proposed renovations are to be performed. You should be aware that any future disturbance of areas which contain lead-based paint will require "Safe Work Practices" or further abatement, and will be your responsibility.

The attached EPA brochure, entitled: "**PROTECT YOUR FAMILY FROM LEAD IN YOUR HOME**" should be read as soon as possible.

As a consequence of the added expense for the lead inspections and the impact it will have on our clients, we are pleased to announce that some home owners may qualify for up to \$10,000 of lead paint abatement work to be funded through the CDA Deferred Loan Program for Lead Abatement. The terms of this special loan will include **NO INTEREST** or payments until the sale of your home. This loan will be completely **FORGIVEN** (a gift), **if** you remain as the owner in residence of your home for **5 YEARS** after the Completion Certificate is issued. (If you sell, or fail to occupy your residence within 5 years of the Completion Certificate issue date, the loan will become due in full).

For example, if lead abatement were to increase the cost of your job from \$20,000 to \$25,000, a regular installment loan will be set up for \$20,000. A \$5,000 deferred loan will be set up separately, for a 5-year term. If the abatement cost exceeds the \$10,000 amount

allowed for the deferred loan, the excess will be added to your housing rehabilitation loan up to your loan limit as established by the Loan Committee.

If testing shows that your house has no lead, you will get a Clearance Certificate that you will need when you sell your house. If the test shows that you do have lead hazards, then you must allow the CDA to include the cost of removing such hazards in your construction budget, prior to any work being done on your house. If you do not allow the Agency to include the cost of removal (called "Abatement") in your rehabilitation loan, then the Agency will not be permitted to proceed with the job.

After abatement is completed, you will receive the Clearance Certificate. This is a detailed list of the abatement work that was performed, and a statement listing known lead-based paint which still remains in the home, if any.

You are required by law to show your Clearance Certificate to any buyer of your home, or to disclose that the house has been tested and contains lead-based paint. You must also disclose this information to any present or future tenants, should you rent out any part of your home. This law applies only if you have knowledge of the presence of lead-based paint in your home. If you choose to participate in the CDA program, have your home tested, and receive a report indicating the presence of lead-base paint, you would have to disclose said report should you rent or sell your home.

Not all houses have lead paint and some situations are exempt, such as when no painted surfaces will be disturbed by the proposed work. Our CDA staff and/or our private environmental consultants will assist you in determining if any of the EPA exemption criteria apply to your house.

In some instances, the estimated cost for lead-based paint abatement (including the deferred loan) will exceed your allowable maximum rehabilitation loan amount. In that case the Agency could not approve the requested loan, and no work would be done on your home. Since testing would have already been done by that point, you would still be required to make the necessary disclosures required if you sell or rent your home.

Acknowledgment

I (We) acknowledge that we have received, read, understand, and agree to the terms of this Authorization to Perform Lead Based Paint Inspection and Testing.

Name	Date	Name	Date
------	------	------	------

**TOWN OF ISLIP COMMUNITY DEVELOPMENT AGENCY
REHABILITATION LOAN APPLICATION**

APPLICANT:

CO-APPLICANT:

NAME		
ADDRESS		
TOWN		ZIP CODE
NEAREST CROSS STREET		
TELEPHONE #		
SOCIAL SECURITY #		
DATE OF BIRTH		
EMPLOYER NAME		
ADDRESS		
TELEPHONE #		
POSITION		
INCOME		PER YEAR
LENGTH OF EMPLOYMENT:		
OTHER INCOME- INCLUDE PENSION, INTEREST, ETC.:	\$	PER YEAR
EXPLAIN		

NAME		
ADDRESS		
TOWN		ZIP CODE
NEAREST CROSS STREET		
TELEPHONE #		
SOCIAL SECURITY #		
DATE OF BIRTH		
EMPLOYER NAME		
ADDRESS		
TELEPHONE #		
POSITION		
INCOME		PER YEAR
LENGTH OF EMPLOYMENT:		
OTHER INCOME- INCLUDE PENSION, INTEREST, ETC.:	\$	PER YEAR
EXPLAIN		

PLEASE LIST ALL OTHER FAMILY AND HOUSEHOLD MEMBERS (DO NOT INCLUDE APPLICANT(S) ALREADY LISTED ABOVE):

NAME	AGE	SOCIAL SECURITY #	ANNUAL INCOME	SOURCE
1.				
2.				
3.				
4.				
5.				
6.				
7.				

BY LAW, YOU ARE NOT REQUIRED TO PROVIDE INFORMATION AS TO ETHNICITY AND RACE. IF YOU DO NOT WISH TO PROVIDE THIS INFORMATION, PLEASE INITIAL THIS BOX.

--

Hispanic (check one)

Yes No

- White
- Black
- Asian
- American Indian/Alaska Native
- Native Hawaiian/Other Pacific Islander

- American Indian/Alaskan & White
- Asian & White
- Black/African American & White
- Amer. Indian/Alaskan Native & Black/African American
- Other

PLEASE LIST ALL MORTGAGES ON YOUR PROPERTY:

NAME OF LENDER	MONTHLY PAYMENT	BALANCE OWED
1		
2		
3		

	YES	NO
DO YOU HAVE A DSS LIEN ON YOUR HOME? (Check One)		
DO YOU HAVE AN ACCESSORY APARTMENT IN YOUR HOME? (Check One)		

To the best of my knowledge, the information provided is true and correct.

Applicant Signature

Date

Co-Applicant Signature

Date