



# Municipality of Norristown

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## Owner Occupied Housing Rehabilitation Deferred Loan Program FY 2015

The Municipality of Norristown has received funds from the U.S. Department of Housing and Urban Development (HUD) for the rehabilitation of owner occupied homes.

The Housing Rehabilitation Program is designed to help low to moderate income homeowners by providing interest-free deferred loans to correct housing problems including defects in the heating system, electrical system and roofing.

In order to qualify for the program, an applicant must meet the following requirements:

1. Be a Norristown Municipal resident
2. Own and reside in the Property
3. Household income is less than the following:

FAMILY SIZE	HOUSEHOLD INCOME (NO MORE THAN)
1	\$45,450
2	\$51,950
3	\$58,450
4	\$64,900
5	\$70,100
6	\$75,300
7	\$80,500
8+	\$85,700

The Municipality of Norristown will take applications on a first-come, first- served basis. Interested Municipal homeowners must apply in person at Municipal Hall, Norristown, PA. Complete information about the loan program guidelines and eligibility is available at the Municipality of Norristown Planning Department, 2<sup>nd</sup> Floor, 235 East Airy Street, Norristown, PA 19401. (610) 270- 0451.

**Municipality of Norristown**  
**Housing Rehabilitation Loan Program**  
**General Information**

**Eligibility**

The purpose of the program is to assist low and moderate income homeowners in the rehabilitation of their homes to acceptable housing standards. All single family owner-occupied home in the Municipality of Norristown are eligible. Multi-family and properties containing any commercial uses are not eligible for assistance. Applicants will have to have a copy of the deed to their property at their initial interview.

**Prior Assistance**

No homeowner is eligible for the housing rehabilitation programs if they have already received assistance. The program is designed to provide one time only aid, and not to provide maintenance.

**Income**

Applicants must meet the income limits (by family size) contained in the application. Applicants will have to have evidence of income at their initial interview. Evidence **must** include last year's tax return W-2 form (if filed). If applicant did not file a tax return they must have a yearly social security statement of other acceptable evidence of total family income. **Total Family Income** is defined as the income of all members of the applicant's household.

**Eligible Work**

All Major deficiencies must be corrected first: Replacement of unsafe wiring and plumbing, repair of deteriorated roofs, porches, steps, furnaces, windows, etc. All work necessary to reduce the hazards of lead based paint must be done. Less critical activities such as insulation, siding, exterior painting, etc., may be undertaken after major deficiencies have been completed. The Municipality's intent is to spend the least amount necessary to bring a property to Building Code standards in order to be able to provide assistance to the largest number of homeowners.

No repairs can be made to other structures on the property such as garages or sheds. No upgraded work such as ceramic tile, special fixtures/ cabinets in kitchen and bathrooms can be done. All interior painting (except to abate lead paint or where homeowners are elderly) must be done by the homeowner. All items will be repaired rather than replaced in the repair is more cost effective.

Lead paint hazards are deteriorating paint containing lead; and dust caused by lead paint. Each home in the program will be inspected by the Municipality's Lead Paint Consultant. That inspection takes approximately 1.5 hours. You will get a copy of the results. Repair work necessary to reduce lead paint hazards will be done as part of your rehabilitation project. You may have to leave your home while lead paint work is being completed to prevent exposure to lead dust. The work generally takes between three (3) days and two (2) weeks. It is your responsibility to find a place to live for that time. The Municipality does not provide financial assistance for relocation.

## **Loan Terms**

In cases where rehabilitation work is less than \$10,000, assistance is in the form of a grant and no lien or mortgage will be placed on the home. Rehabilitation costs between \$10,000 and \$40,000, will have a ten (10) year deferred mortgage placed on the home. That means if the property is sold within ten (10) years, the amount of assistance must be repaid in full. At the end of ten (10) years, if the home has not been sold, this mortgage will be forgiven in full. In no case will work be authorized that exceeds \$40,000 for one property.

## **Contractors**

The Municipality maintains a list of contractors who work in the program. You may also have a contractor you know provide an estimate for your property. All lead paint work must be done by a contractor certified in that trade. You must have a minimum of two bids for the work, and must select the lowest qualified bidder to do the project. Prior to being awarded contracts, contractors must supply evidence of adequate insurance. It is strongly emphasized that cooperation between homeowners and contractors is absolutely essential to the successful conclusion of a project.

## **Timing**

Applicants will be called to an initial interview on a "first-come first-serve" basis. For normal projects, a contractor is given ninety (90) days to complete work. Average time to complete the process, from initial interview to final inspection is five (5) months.

## **Guarantee**

Upon completion of the contract work, the contractor will supply the homeowner a one year warranty on materials and workmanship of all contract work, except new roofing, in which case the homeowner will receive a ten (10) year warranty. The enforcement of the warranty is the sole responsibility of the homeowner.

## **Changes**

After contracts are signed, there will be no changes, except for corrections of Building Code violations that were omitted from the original contract. Any changes to the contract can be made only in writing, and upon approval of the homeowner, contractor and Municipality