



SUMMARY OF HOUSING PROGRAMS

Administered by **Division of Housing**

(2013)

Current housing programs being administered through Division of Housing are the HOME Program and the Community Development Block Grant Program (CDBG). Summarized below, these programs provide funds for rehabilitation of owner occupied housing, homebuyer acquisition and rehabilitation, energy efficiency improvements, rental property rehabilitation and demolition.

Additionally, from time to time other State programs and funding opportunities may be offered depending on the availability of funds and the ability of Division of Housing to successfully obtain these resources. Please contact the Division of Housing Office for additional information.

HOME OWNER OCCUPIED REHABILITATION

OWNER OCCUPIED HOUSING

HOME & CDBG

This program is designed to assist qualified owner occupants of one-to-four family properties with their rehabilitation needs and is funded through two different programs, the HOME program and the Community Development Block Grant (CDBG) program.

To Qualify:

- Property owner and tenant(s) must earn less than 80% of area median income currently \$64,400 for a family of four.
- Properties must have significant rehabilitation needs.
- Properties must also be located within the Fitchburg Housing Strategy Area; exceptions may be made when no there is no waiting list for the program.
- Owner must agree to occupy property as a principal residence for the life of the mortgage.
- Rental units must meet affordability guidelines for the program.
- Certain properties may require restoration and consideration of historic architectural details.

Assistance Provided:

- Second mortgage rehabilitation loans at affordable financing terms. Rates range from zero to 3%. Some loan repayments may be deferred for a limited time.
- Rehabilitation counseling, work specification writing, supervision of bidding process, inspections of work in progress and final work approval.
- Full rehabilitation of property, from major building systems to cosmetic improvements. Completed properties must meet Federal Housing Quality Standards (HQS) including new de-leading regulations as well as State sanitary and building codes.

Energy Efficiency-Weatherization Program

ENERGY SAVE PROGRAM

AGO HOMECORPS GRANT

This program is designed to assist qualified owner occupants of one-to-four family properties in Fitchburg who are participating in the Mass Save Program with their share of the costs of energy efficiency improvements provided through Mass Save. The Program also assists Mass Save participants with the cost of removing barriers such as asbestos and knob and tube wiring that are required to be removed before the Mass Save Program can make improvements. This program is a time limited program and funded by a HomeCorps Restoration Grant from the Massachusetts Attorney General's office.

To Qualify:

- Property owners must earn less than 120% of area median income currently \$87,600 for a family of four and reside in the home as their primary residence.
- Properties must have participated in Unitil's Mass Save Program and have an energy audit report.

Assistance Provided:

- Grant assistance provided towards the owner's costs of energy efficiency improvements.
- Grant assistance provided towards the owner's costs of removing barriers that must be removed prior to receiving energy efficiency improvements through the Mass Save Program. Assistance will also be provided with work specification writing, supervision of bidding process, inspections of work in progress and final work approval for all barrier removal.
- Dollar amounts are determined by the type of work being done, the cost of the work and whether the owner's household income is below 120% of area median income, or 80% of area median income.

BUY IT FIX IT FITCHBURG

HOME BUYER ASSISTANCE

HOME & CDBG& AGO

This program, funded through both the CDBG program, the HOME Program, local participating banks and for a limited time, the Massachusetts Attorney General's Office provides income eligible homebuyers with an opportunity to purchase and rehabilitate their home.

To Qualify:

- Buyers and tenant(s) must earn less than 80% of area median income currently \$64,400 for a family of four. (See current income chart attached.), for a limited time, buyers may earn up to 120% of the area median income, (\$87,600) while AGO funds are available.
- Property must be in need of rehabilitation equal to or greater than 20% of the purchase price.
- Owner must agree to occupy property as a principal residence for the life of the mortgage.
- Rental units must meet affordability guidelines of the program.
- Certain properties may require restoration and consideration of historic architectural details.

Assistance Provided:

- Counseling and assistance for homebuyers through the entire purchase and rehabilitation process, provided through the Twin Cities Community Development Corporation.
- Banks participating in the program provide eligible borrowers first mortgage financing at favorable rates and terms up to 80% of the after rehabilitation appraised value of property.
- Total benefits vary depending on location.
- Program provides 2% gift toward down payment or closing cost expenses.
- Program provides second mortgage financing for a percentage of the after rehabilitation appraised value.
- Program may also provide additional second mortgage financing, as needed, to reduce monthly mortgage payments to an affordable level for the first seven years of the mortgage.

PROJECT REJUVENATE FOR RENTAL HOUSING

Rental Renovation Program

CDBG

This program provides incentive and financial support for the renovation, repair and rehabilitation of investor owner rental properties within the City of Fitchburg's Community Development Block Grant target area. In order to broaden the existing availability of affordable housing units within the city, priority consideration will be given to buildings that currently contain vacant housing units. This Program is only available when sufficient funding is available for projects. This funding is very limited and applicants should inquire prior to applying.

To Qualify:

- Owners must have a minimum of 10% cash equity in the property.
- Property must have adequate access to off street parking facilities.
- Property must have a reasonable yard or recreation area.
- Property owner must have a good management history.
- Repairs to the property must have a positive impact on the immediate neighborhood.
- Occupied properties must have a majority of units rented to low or moderate income families or individuals.
- Owners of vacant properties must agree to rent rehabilitated units to low or moderate income families or individuals.

Required Repair Work:

- Owners must agree to complete lead abatement for all units and common areas of the property.
- Properties must be brought into compliance with State Sanitary & Building Codes and HUD's Housing Quality Standards.
- Energy conservation measures must be instituted to reduce the energy demands of the building. Energy Star compliant appliances and ratings are encouraged.
- Exterior repairs are required to impact overall neighborhood improvement.
- Certain properties may require restoration and consideration of historic architectural details.

Assistance Provided:

- Qualified Owners may be eligible to receive up to 50% of the cost of rehabilitation work, provided the combined new debt on the building does not exceed 100% of the after rehabilitation appraised value.
- Owners will enter into a mortgage agreement with the City. Repayment terms will range from 10 to 30 years, with interest rates that will not exceed 3%.

Additional benefits and incentives may apply to properties located within the City's Urban Redevelopment District.

DEMOLITION OF ABANDONED AND UNSAFE STRUCTURES

(CDBG)

This program uses Federal CDBG funding, other available State and City resources, to demolish and remove property that is abandoned, seriously damaged, or deteriorated beyond reasonable financial costs to effectively rehabilitate.

To Qualify:

- The target property must be significantly deteriorated and be in uninhabitable and unsafe condition, or the property must be extensively damaged by fire or natural disaster. The conditions existing create a serious risk to public health and safety.
- Property owner has failed to comply with repeated orders from the Fitchburg Board of Health or the Fitchburg Building Department to address sanitary and/or building code violations.
- Property owner has failed to respond to final order to rehabilitate or demolish property.
- Property must be judged to be in such condition as to warrant use of existing funding for demolition by members of the Mayor's Housing Task Force, which includes the following departments: DPW Community Development, Building, Health, Police, Fire, and Solicitor.

Assistance Provided:

- Property is demolished under the authority granted by Massachusetts General Laws, as ordered by either the Building or Health Department.
- Remaining lot is loamed and seeded and is appropriately secured for safety and to prevent misuse (i.e.; storage of junk automobiles).
- Lien is recorded against property for full cost of demolition in the Registry of Deeds.
- Property owners facing involuntary orders to demolish blighted and unsafe structures may qualify for low-interest loans to facilitate demolition.

Note: Each of the above programs is designed to be operated at no direct cost to the City. Expenses related to program administration, and related city services are paid through proceeds of the grant programs and not through local tax revenues.

FOR MORE INFORMATION ON ANY OF THE HOUSING PROGRAMS OFFERED THROUGH DEPARTMENT OF COMMUNITY DEVELOPMENT, DIVISION OF HOUSING, OR TO RECEIVE AN APPLICATION BY MAIL, PLEASE CALL

(978) 829-1897.