



RESIDENTIAL REHABILITATION PROGRAM

PROGRAM INTENT

The City of Dearborn Heights Residential Rehabilitation Program embraces the Department of Housing and Urban Development's (HUD's) mission with a comprehensive program to assist low and moderate income residents based on the City of Dearborn Heights Rehabilitation Standard in compliance with HUD regulations.

REHABILITATION PROGRAM ELIGIBILITY

City of Dearborn Heights residents are eligible to apply if:

- 1) They own and occupy their home.
- 2) Meet income eligibility guidelines.
- 3) All city and county taxes, water bills and mortgage payments (if applicable) are paid to date on the property.

INCOME ELIGIBILITY GUIDELINES

Income Eligibility is determined by the total adjusted gross income (AGI) for all household family members age 18 and older and must not exceed the following income amounts*:

<u>FAMILY SIZE/INCOME</u>	<u>FAMILY SIZE/INCOME</u>
1 \$37,450	5 \$57,800
2 \$42,800	6 \$62,100
3 \$48,150	7 \$66,350
4 \$53,500	8 \$70,650

**Subject to change. Income eligibility is determined at mandatory application meeting.*

LOAN DETAILS

The loan is a 0% interest deferred loan which is payable only in full when the home is vacated, sold, rented or refinanced. A lien will be placed on the property for the amount of the loan.
No credit check or equity required.

REHABILITATION STANDARDS

A home inspection will be performed to determine the type of repairs that are needed. Repairs will fall into one or more of the six (6) Rehabilitation Standards listed below:

1. HUD's partnership for Home Energy Efficiency (Recommendations are based on Energy Star® specifications, where applicable).
2. Lead-based paint /Lead Hazard Test/Abatement procedures. Any rehabilitation that is not an emergency will require a lead based paint (LBP) test and possible remediation.
3. Carbon Monoxide (CO/SALT) testing on heating system.
4. ADA Accessibility Guidelines/ Michigan Barrier Free design.
5. Dearborn Heights Residential Building Codes (used as a guideline).
6. Other Rehabilitation repairs not covered under the previous five (5) standards may be approved in order to halt the physical deterioration of the property.

LOAN LIMITS

1. Loans for properties located in a designated Flood Zone are not to exceed the State Equalized Value (SEV) **(No exceptions)**.
2. Loans for properties not located in a designated Flood Zone may exceed State Equalized Value (SEV) when approved on a case-by-case basis by the CEDD.
3. All Residential Rehabilitation projects are subject to availability of program funds.

ATTENTION

Modernization, new construction, repair/replacement of detached structures and homes requiring “reconstruction” DO NOT qualify for this program.

OPERATING PROCEDURES

The Community and Economic Development Department (CEDD) administers the Residential Rehabilitation Program. The CEDD’s role is to assess each applicant’s needs and qualifications to determine program eligibility status. The CEDD is also available to assist the applicant in understanding the step-by-step housing rehabilitation process.



**For more information about the Residential Rehabilitation Program or to request a pre-application, please contact the Community and Economic Development Department (CEDD) at:
26155 Richardson
Dearborn Heights MI 48127
313-791-3500**

E-Mail: ramen@ci.dearborn-heights.mi.us

Website: <http://www.ci.dearborn-heights.mi.us/ComDev.cfm>

ATTENTION: IMPORTANT PROGRAM INFORMATION

- Applicants must meet all eligibility requirements (subject to change) at time of application and at loan closing.
- This is a voluntary loan program. The City does not mandate participation in this loan program based on the condition of the home and/or ordinance/code violations.
- This program requires a waiting list of six months or more. Emergency situations (as determined by program guidelines) such as furnace or roof replacement are considered on a case-by-case basis and subject to available funding.
- Eligible applicants are not guaranteed a loan at time of application. Loans are made based on available funding and applicant eligibility at time of loan closing.
- The City will place a lien on the property no further than third place behind first or second mortgages.
- The City reserves the right to change/update/modify the program at any time.