



**Community Development Block Grant – Disaster Relief
Owner Occupied Rehabilitation and Reconstruction
FREQUENTLY ASKED QUESTIONS**

1. How is Owner- Occupied defined in this Program?

Owner-Occupied is defined as the primary residence of the owner of record on October 29, 2012 as recorded on the land records of the municipality in which the house is located. If the homeowner has since deceased after the damage from Hurricane Sandy, the Executor of the estate would be the eligible owner. This information must be verified in accordance with IRS Publication 936 with regard to consideration as a “second home”.

2. How much funding can be covered under the Owner-Occupied Rehabilitation program?

The State has allocated \$30,000,000 toward the Owner-Occupied Rehabilitation program. The minimum allowable cost for rehabilitation, reconstruction and/or mitigation is \$10,000 and the maximum allowable is \$150,000.

3. What are the priorities established to receive funding under the Owner-Occupied Rehabilitation program?

In this order:

- Assist homeowners with unmet needs whose income is less than 80% of the Area Medium Income (AMI)
- Assist homeowners with unmet needs whose income is 80% to 120% of the AMI.
- Assist homeowners with unmet needs whose income is above 120% of AMI depending on funding availability.
- Reimbursement for completed activity for households with income is less than 80% of the AMI.
- Reimbursement for completed activity for households with income is 80% to 120% of the AMI.
- Reimbursement for completed activity for households with income is above 120% of AMI depending on funding availability.

4. What is not eligible under the Owner-Occupied Rehabilitation program?

- Second Homes.
- Non residential buildings that are not attached to primary residence (i.e. Pools, sheds, detached garages, fences).
- Personal property (i.e. vehicles, furniture, goods, clothing);
- Satellite dishes and Security systems;
- Swing sets and playground equipment.
- Sea walls, jetties and piers

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6. What criteria are used to determine if my home is eligible for repair?

- Home is a 1-4 unit property damaged by Hurricane Sandy;
- It is located in one of the designated disaster areas (i.e. Fairfield, New Haven, Middlesex, New London counties or Mashantucket Pequot Indian Reservation);
- It was your primary residence at the time of Hurricane Sandy;
- You are the owner of record of the damaged property;
- There is still an unmet need for rehabilitation or repair work after accounting for all federal, state, local and/or private sources of disaster-related assistance.

7. What kind of work is eligible under the Owner-Occupied Rehabilitation program?

- Structural repair or replacement of damaged property.
- Cost effective Energy Measures and improvements needed to meet HUD Section 8 Existing Housing Quality Standards.
- Lead-based paint abatement, asbestos abatement, handicapped accessibility for special needs.
- Mitigation assistance to elevate homes and/or reduce the risk for future disasters;
- Appliances: stoves and refrigerators are eligible items but will be considered on a case-by-case basis if they are not present at the time of rehabilitation.

8. I am not an owner of the property, but I am married to an owner of the property, and have lived at the property for many years, can I be a co-applicant?

No, only an owner of a property or a co-owner of a property may be an applicant. In cases where an owner wishes to have another individual represent them in the application process, the owner must grant that individual power of attorney. If you had to change your household status, the household income will be determined by 2012 tax returns for those living in your house on October 29, 2012.

9. What if I had damage both from Irene and Sandy, how can you differentiate which damage is from which storm – I was flooded in both.

You do not need to differentiate damage from the two storms. If you suffered damage from Hurricane Sandy, which compounded damage you suffered from Hurricane Irene, any unmet needs are eligible for assistance

10. When is the deadline for applying?

There is no deadline for this portion of the CDBG-DR funding.

11. Can you apply for the FEMA Hazard Mitigation Grant Program (HMGP) and this program at the same time, and how do these two programs work together?

Individual homeowners cannot apply for HMGP; the municipality is the eligible applicant for HMGP funds. DOH is continuing to work with FEMA, the Department of Emergency Management and Homeland Security and the municipalities to coordinate the potential leveraging of this program. No action is necessary on the part of the homeowner relative to leveraging HMGP through this program at the time of application.

12. What if I did not apply for FEMA funding, Can I still apply for assistance under CDBG-DR?

Yes, if you did not apply for FEMA funding you can still be eligible to apply for assistance under the CDBG-DR program.



13. Must I apply for a SBA loan as a prerequisite to receiving CDBG-DR assistance?

No, homeowners are encouraged but are not required to apply for SBA loans as a prerequisite to receiving CDBG-DR assistance.

14. What if I declined to accept a SBA loan, can I still apply for CDBG-DR assistance?

Yes, if a homeowner was offered an SBA loan, and declined to take it they still may be eligible for the CDBG-DR program assistance.

15. Can these grant funds be used to pay off an SBA loan taken out for repairs from Sandy?

At this time, we do not anticipate having sufficient funds to address reimbursements, including those necessary to pay off any SBA or other loans secured by the homeowner. However, if sufficient funds become available, the repayment of an SBA or other loan which were used for CDBG-DR eligible repairs is an eligible activity under the federal regulations.

16. Can these grant funds be used for temporary housing?

No. This assistance is not intended for temporary assistance of any kind. It is intended to repair and/or replace your place of residence to its pre-storm condition.

17. Can I be reimbursed for work already completed on my home?

Yes, a homeowner may be eligible for reimbursement for rehabilitation and reconstruction expenses for costs incurred from the date of Hurricane Sandy (October 29, 2012) up until October 29, 2013 (one year after Superstorm Sandy) or if prior, the date of application submission. Reimbursement assistance is pending the availability of funds. Expenses incurred after the date of application submission are not eligible under this program.

18. What if I've already received other funds for repair, will it impact my assistance?

Yes, the Disaster Recovery funds which are being used to assist eligible applicants are subject to Federal requirements which require that the program confirm that applicants have not already received financial assistance from other sources for the same activities for which the program is providing assistance. If applicants have already received assistance from other sources, it will impact the amount of assistance which they may receive from the program.

19. If I have done the work already, and there is not enough money in this allotment for reimbursement, do I have to resubmit another application when more funds are allotted?

We have not finalized the details relative to reimbursement only activities at this time; however, we anticipate that should sufficient funds become available at a later date, supplemental information specifically related to the proposed reimbursement would need to be provided to complete your application.

20. Will a lien be placed on my home if I accept CDBG-DR assistance?

Yes, the assistance provided will be grant in the form of a five-year Deferred Forgivable Promissory Note that bears no interest. DOH will execute the Note with the eligible homeowner to secure the full amount of the assistance. The Note will be required to be recorded in the municipal land records following the completion of the rehabilitation. If the homeowner sells, transfers, or vacates the property for any period of time during the term of the five year Note, the repayment terms of the Note will be enforced.



21. How will affected homeowners be notified regarding the availability of application forms?

The State will implement a multi-media marketing campaign to publicize the availability of the program policies and procedures and the application forms. Homeowners with properties damaged as a result of Hurricane Sandy will be solicited directly through information from FEMA, SBA and the municipalities.

22. What does ethnicity have to do with qualifying for assistance?

As part of our ongoing federal obligations associated with these and most other federal funds, the state is required to report assistance provided by race and ethnicity. This is in order to ensure that there is no discrimination in the administration of these funds; however, this has no bearing on your eligibility to apply.

23. What supporting documents must be submitted with my application?

- **Proof of ownership** of the disaster-damaged property (i.e. deed or property record).
- **Proof of residency** of the disaster damaged property (i.e. State issued driver's license; federal tax returns; receipts of government benefits such as Social Security; or vehicle registration forms)
- **Proof of household income** for every income eligible resident of the disaster-damaged property (i.e. 2012 IRS Tax returns)
- **Proof that property taxes are current and paid to date** (i.e. paid receipt, evidence of payment from escrow).
- **Proof of Insurance** of the disaster-damaged property at the time of Hurricane Sandy and now (i.e. homeowners, flood and/or property insurance policies)
- **Proof that mortgage payments are current and up-to-date.** (i.e. current mortgage statements from your lender)
- **Documentation of disaster recovery compensation** for the disaster damaged property (i.e. FEMA award letter(s), Insurance Claim/Payout Documentation, National Flood Insurance Program (NFIP) Claim/Payout Documentation, etc.).
- **Proof of Repair Reimbursement** (i.e. construction contracts, receipts or invoices from licensed contractor for any/all repair and/or rehabilitation work completed).

24. How should I submit my completed application form?

The completed application forms should be printed, signed, scanned and emailed with all supporting documentation as pdf attachment to sandy.rehab@ct.gov until the Intake Contractor selected for providing application intake services has been mobilized.

25. What if I do not have access to a computer to submit my application?

An Intake Contractor will be establishing public intake centers in various locations affected by hurricane Sandy to assist the affected homeowners in completing the application process. These intake centers will be equipped with computers for completing online applications and consultants providing live technical support.

26. Will assistance be provided to persons with special needs and disabilities?

Yes, the Intake Contractor will schedule appointments if the applicant is elderly (over 62) or disabled at a mutually agreeable time and location.

27. How will applications be reviewed?

Applications reviewed on a "first come - first served basis" according to the program funding priorities and eligibility threshold requirements.



28. What is the estimated processing time for each application?

The estimated processing time will be different for each applicant depending on their individual circumstances. However, the State is committed to preventing any unnecessary delay in the application process.

29. What contracts will the eligible homeowner sign when their application for assistance has been approved?

An eligible homeowner will enter into the following agreements for assistance:

- **Homeowner Rehabilitation Written Agreement** with DOH that spells out the stipulations of the assistance.
- **Escrow Agreement** for the disbursement of funds (this is a tri-party agreement between Homeowner, State/City and escrow agent)
- **Homeowner/Contractor Agreement** which lays out the roles and responsibilities of each party during construction (three party agreement between Homeowner, Contractor, and DOH)
- **Forgivable Promissory Note and Lien** which lays out the homeowner's obligations in return for receiving assistance and places a five year lien on the assisted property.

30. Who decides what repairs need to be made to my home?

A home inspector will be sent to each property to assess the level of damage remaining on the property and determine the amount of work that is required to repair your home to meet required state and local housing quality standards.

31. I have had my home looked at by an engineering firm, can their findings be used when determining what needs to be done by the firm you contract with?

In order to receive assistance under this program, the State's A&E/Engineering consultant will be required to conduct an independent analysis and draft a scope in accordance with the program requirements, which are likely to include requirements beyond that which was completed by your engineering firm. As an example, the DOH program requires the home to be brought up to code in all respects, include energy efficiency measures, and address appropriate mitigation measures.

32. What if I have already chosen a contractor and given him a retainer?

If you do not have sufficient funds to complete all of the work necessary to return your home to its pre-storm condition (ie: you have an "unmet need"), **you may choose** to terminate or hold off on beginning work with that contractor pending receiving assistance under this program. However, please note that we are not directing or suggesting that anyone take this action.

33. Who provides the cost estimates for the repair to my home?

The inspection will provide an estimate of repair costs to determine whether rehabilitation or reconstruction will be offered and will be in sufficient detail to be utilized in the creation of work write-ups.

34. Will homeowners be able to review the scope of work and cost estimate for repairs needed prior to entering into a contract and contractor selection?

Yes, once the work write-up is complete, the homeowner will be provided an opportunity to review and accept the estimated cost of rehabilitation or recommendation to reconstruct the home.



35. Can a homeowner decide that they no longer wish to participate in receiving CDBG-DR assistance and can they withdraw their application?

Yes, a homeowner within three days of the contract signing for assistance can elect not to receive assistance through the completion of an **Opportunity to Rescind** form which will cancel their contract.

36. Who will address complaints or disputes between contractor and homeowners?

DOH will handle all citizen complaints in the most effective and efficient manner. The goal of the State complaints and appeals process is to provide an opportunity to resolve complaints either formal or informal in a timely manner, usually within fifteen (15) days where practicable, and to provide the right to participate in the process and appeal a decision.

37. How will the contractor be selected?

Contractors will be selected through an RFQ process. A minimum of three competitive bids will be required from prequalified contractors who are licensed, bonded, insured, and experienced. The lowest and most responsible contractor will be selected for the repair and rehabilitation work.

38. Where do we find the RFPs for the contractors?

The RFPs will be listed on www.das.ct.gov under State Contracting Portal as well as on the DOH Hurricane Sandy Recovery page.

39. Who is responsible for zoning approval and permits?

The contractor is responsible for obtaining the necessary approvals for the construction.

40. How will the Contractor be paid?

Homeowner funds that are available for repair or reconstruction will be placed in an escrow account before work begins. The federal funds will be reserved in the HUD system for repairs. While the repairs are being completed, DOH and the owner will jointly authorize progress payments to the contractor.

41. Is there an appeal process for homeowners who disagree with the award calculation?

Yes, an appeal may be filed by homeowner who disagrees with the award calculation. This appeal must be filed in writing to DOH within 30 days of the decision. DOH will address the appeal within 15 days or provide an update of the status of the appeal to the appealing party.

42. Will the rehabilitation/reconstruction work on my home performed by the contractor be warranted?

Yes, all work performed by the contractor will be guaranteed for a period of one (1) year as stipulated in the **Homeowner/Contractor Agreement**.

43. Will you be hiring locally to staff the intake centers? How will we know when this is happening?

Yes, we will be hiring locally for the Intake Centers. Continue to watch our website for news about the Centers at www.ct.gov/doh.

44. Are there special circumstances if I live in a Historic Property?

If you have a historic property, either on or eligible for the listing on the National Register of Historic Properties, there are other potential forms of assistance for which you may be eligible. For information on these other potential sources of assistance, please see the [State of Connecticut CT Recovers website](http://www.ct.gov/recovery).



Department of Housing

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45. When will the owners of multi-unit apartments and rental homes/units be able to apply for a assistance?

The Multifamily Rehabilitation/Rebuilding and Mitigation Program will target eligible LMI multifamily properties with unmet need, including public housing, HUD-assisted housing, McKinney-Vento funded shelters and housing for the homeless, which were damaged by Hurricane Sandy and located within the 100 or 500 year flood plain in any community in Fairfield and New Haven counties. Application materials are not yet available, so please check our website at www.ct.gov/doh frequently for updates.

46. What help will be available for second homes?

“Second homes” as defined in IRS Publication 936, page 6, are not eligible for these funds, in accordance with federal regulations. For other potential sources of assistance, please see the [State of Connecticut CT Recovers website](http://www.ct.gov/recovery).

47. I need elevation and have a contractor who was tasked with all repairs from Sandy and flooding from Irene. My insurance and FEMA has given me some money, but the contractor does not return my calls, and only has shown up a couple of times to measure. What can I do legally?

This is not a CDBG-DR program question, and we cannot provide legal advice. However, we would suggest that the homeowner contact the Department of Consumer Protection for assistance.