

How Do Applicants Determine Income?

All income of adult household members that is received during a twelve-month period must be counted. The following sources of income are included:

- Gross amount of wages and salaries before payroll deductions, overtime pay, commissions, fees, tips, and bonuses.
- The net income from the operation of a business or profession or from rental of real or personal property.
- Interest, dividends, and other income from family assets.
- The full amount of periodic payments received from Social Security after deductions of Medicare premiums (including social security received by adults on behalf of minors or by minors intended for their own support)
- Income received from annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump sum payment for the delayed start of a periodic payment.
- Payments in lieu of earnings, such as unemployment and disability compensation, workman's compensation, and severance pay.
- Periodic and determinable allowances—such as alimony and child support payments, and regularly recurring contributions or gifts received from person not residing in the dwelling.
- All regular pay, special pay, and allowances of a member of the armed forces who is head of the family of spouse, whether or not that family member lives in the unit.
- Any earned income tax credit to the extent it exceeds income tax liability.

Partner Organizations Which Help Make The Redevelopment Authority's Homeowner Rehabilitation Program A Success, Include:

- **Pennsylvania Department of Community and Economic Development (DCED).**
www.newpa.com
- **U. S. Department of Agriculture—Rural Housing Service (USDA-RHS)**
www.usda.gov
- **U. S. Department of Housing and Urban Development (HUD)**
www.hud.gov
- **Fayette County, Pennsylvania—Board of Commissioners**
www.co.fayette.pa.us

Current Income Limits.

In order to qualify for assistance, applicants must make less than the amounts shown in the following table:

Family Size	Annual Income Limits
1 Person	\$35,300
2 Persons	\$40,350
3 Persons	\$45,400
4 Persons	\$50,400
5 Persons	\$54,450
6 Persons	\$58,500
7 Persons	\$62,500
8 Persons	\$66,550

Note: These income limits are updated annually by the U. S. Department of Housing and Urban Development (HUD). Potential applicants should check with The Redevelopment Authority for current income limits.

Homeowner Rehabilitation Program

“Helping to Maintain Homeownership and the Stability of Communities Throughout Fayette County”



A Program Administered by the Redevelopment Authority of the County of Fayette, Pennsylvania

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Introduction

The Redevelopment Authority of the County of Fayette has successfully administered housing rehabilitation programs for over 31 years. Since 1975, the Authority has facilitated the rehabilitation of over 1,450 households utilizing local, state, and federal resources. Through the provision of no interest loans to qualified homeowners, the Homeowner Rehabilitation Program represents a critical resource to the County, enabling the rehabilitation of households, thereby inhibiting blight and preventing displacement of low-income working families, the disabled, and the elderly.

Who Qualifies For Assistance?

Any owner-occupant who meets the income guidelines and who does not live in the Cities of Uniontown and Connellsville (they maintain their own homeowner assistance programs) may apply.

Applicants must own or be in the process of purchasing the home. A copy of an executed and recorded deed is needed to verify ownership.

What Work Can Be Done?

Only code items or health and safety hazards will be addressed with funding provided through the Redevelopment Authority (*no remodeling*).

Some examples of repair work include:

- Repair and replacement of roofs and furnaces
- Installation of new electric or plumbing services
- Replacement of windows and doors
- General stabilization and safety improvements

A copy of the Authority's *Technical Specifications* will be provided to applicants at the time of application.

Who Does The Work?

Homeowners have the choice of which contractor will perform work on their house; however, prior to selection, contractors must be pre-approved by the Redevelopment Authority. In order to be approved, contractors must be reputable, carry proper insurance (at least \$300,000 in Workers Compensation, Bodily Injury, and Property Damage), and be certified to perform in accordance with federal lead-based paint safe work practices.

How Is The Contractor Paid?

Contractors do not receive any up-front payments. The contractor can receive two (2) progress payments, *minus a 20% retainage*, and a final payment. Homeowners will receive an invoice for completed work and, if satisfied, a dual-payee check will be issued by the Redevelopment Authority. In all cases, the homeowner must co-sign in order to issue payment to the selected contractor.

Can I Do My Own Work?

No. Homeowners will not be compensated for any work they perform through any Redevelopment Authority program. All work must be completed by a pre-approved and reliable contractor. This does not prevent the homeowner from completing work prior to receiving assistance through the Redevelopment Authority in order to reduce the total amount necessary for rehabilitation.

How Much Can Be Received?

The amount an applicant can receive depends upon the specific funding sources available. Generally, the maximum amount an applicant can receive through the Redevelopment Authority's Homeowner Rehabilitation Program is \$22,500.

How Much Do Applicants Have To Pay?

Applicants are not required to pay anything to apply for the program. Repayment of the applicant's loan is based on the homeowner's age and ability to repay.

What Types of Loans Are Available?

Payback Loan

For borrowers under age 65, repayment is based on the ability to repay, using 30% of income as the total amount a family should pay for shelter costs. To calculate the payment amount under this type of loan, mortgage payments, real estate taxes, property insurance and utility costs are subtracted from 30% of the total household income.

Deferred Loan

If a borrower's net shelter cost amount is not sufficient to repay the loan's principal within 20 years, or if the borrower is over the age of 65 or permanently and totally disabled, the entire principal amount may be deferred until the sale of the property and no monthly payment will be required.

Note: In all cases a mortgage is placed against the property to insure the repayment of the loan.

What Is The Interest Rates On The Loan?

All loans made by the Redevelopment Authority are at 0% interest.

Can I Sell My Property When I Want?

Borrower's may sell their property at any time, however, the amount owed on the loan at the time of sale would be due to the Redevelopment Authority.

BEFORE



AFTER

