



## TOWN OF NEW MILFORD

**CAPITAL HOME IMPROVEMENT PROGRAM - Funded by the American Rescue Program Act - See COVID Capital Home Improvement Program information sheet for qualification and program details.**

The Town of New Milford has made a portion of its American Rescue Plan funds available to income-eligible residential property owners impacted by the COVID-19 pandemic and needing home repairs. These funds originate from the U.S. Department of the Treasury Coronavirus State and Local Fiscal Recovery Funds (SLFRF). The Town of New Milford administers the COVID Capital Home Improvement Program with the assistance of a consultant, who will serve as the Towns' Program Manager.

Types of work that may be eligible for funding include the correction of health and safety violations, code compliance, roofing, carpentry, electrical work, painting, plumbing, heating, and other non-luxury work subject to the approval of the Town and Program Manager.

### APPLICATION & ELIGIBILITY

All applications must be fully completed and returned to the address on the last page of the application. Applications are reviewed and processed on a first-come, first serve basis.

Eligibility is based on household size, annual household income and the affect COVID-19 had to your household. Income documentation for each household resident over eighteen must be submitted with the application. This documentation must include copies of a minimum of 4-6 pay stubs, the most recent signed Federal tax return, and other income sources.

If your household size and total household income is less than the figures listed below, you may be eligible to participate in the Town's COVID Capital Home Improvement Program. Household income is determined by all household members' income over the age of 18, providing they are not a full-time student.

Household Size	Income Limits*
1 - 4 persons	\$129,500
4 - 8 persons	\$170,950
Additional persons	Add \$10,360 (8% of \$129,500) for each person in excess of 8 persons

### FUNDING

The maximum loan amount is \$15,000.00 per single-family dwelling and \$5,000.00 per unit in multi-family dwellings. The loan-to-value ratio for each property is reviewed to determine the availability of equity when determining maximum loan amounts.

Funding is available to owner-occupied applicants as a "deferred" payment loan. Deferred loans are 0% interest loans that require no payment until one of the following:

1. Sale/Transfer of title;
2. Owner's demise;
3. When the property is no longer the beneficiary's principal residence.

## QUESTIONS? PLEASE CONTACT

Tammy Reardon, Grants and Compliance Specialist for the Town of New Milford via email at [TReardon@newmilford.org](mailto:TReardon@newmilford.org) or telephone at 860-457-4195.



### Equal Housing Opportunity

Minorities, families with children, persons with disabilities, and others needing housing rehabilitation are encouraged to apply.

*The information and process outlined in this flyer is illustrative only and does not bind the Town or its Program Manager. The Town has the right to amend, revise, rescind, or interpret any part, process, or procedure of its Program, as it deems necessary. All decisions are subject to the review and approval of the Town.*

## TYPICAL REHABILITATION PROCESS

### Initial Inspections

Once an application is determined income eligible, the Program Manager will contact the owner to schedule an initial site visit. This inspection allows the Program Manager to explain the Program in detail, determine the property's specific needs and what can be funded under this Program.

While many repairs are eligible, some may not be warranted depending on individual circumstances, cost, and the property's condition.

All participating homes built before 1978 will be tested for lead-based paint. Lead-Based Paint Reduction/Mitigation efforts will be performed in accordance with Federal and State regulations if required.

### Scope of Work and Budget

The Program Manager will prepare a preliminary Scope of Work & Estimated Construction Budget. The Scope of Work & Estimated Construction Budget outlines the proposed rehabilitation with an estimated market value cost. The actual price of the repair is determined through the public bidding process.

### Specifications

Upon the owner's acceptance of the Scope of Work & Estimated Construction Budget, the Program Manager will prepare detailed specifications describing the proposed renovations. The specifications are sent to the owner for their review and approval. Upon approval by the owner, the technical specifications are used to create the bid documents, which interested contractors use when submitting their bids.

## **The Bid Process**

A pre-bid meeting is conducted to allow any interested contractor to view the property, assimilate themselves to the technical specifications, meet the owner and familiarize themselves with the project's requirements. The pre-bid is held at the project's location and usually lasts 45 minutes to 1 hour.

The Town will receive and open sealed bids on behalf of the owner. All bids are opened and read at a Purchasing Authority meeting. The bid result information is compiled and provided to the owner.

Funding is based on the lowest qualified bid received. The owner will be provided with the Contractor's references, licensing, and insurance information and be required to perform a background check. The owner and Program Manager will review the information for the owner's ultimate decision and selection. The owner may choose a contractor other than the lowest responsive bidder providing they pay the difference.

The Program Manager will prepare contract documents; the contract for the work is solely between the owner and the Contractor.

## **Loan Closing**

Once the owner selects a contractor, the Program Manager will prepare the loan documents and arrange a meeting for the owner to sign the loan documents.

## **Contract Signing**

The Program Manager will prepare contract documents and arrange a meeting with the Contractor and property owner to execute the contract documents.

## **Project Oversight**

The construction contract is solely between the owner and the Contractor; these two parties will arrange all scheduling, selections, and work arrangements. The Program Manager will periodically visit the site to ensure compliance with the Town's grant requirements. Local enforcement agencies having jurisdiction over the work will perform their customary inspections as part of the permit process.

Neither the Town nor the Program Manager is responsible for the Contractor's performance or quality of work. The owner should advise the Program Manager of any issues or problems during construction as soon as possible.

## **Payments**

The Contractor receives no money down at signing and is paid in installments as the work is completed and approved by both the owner and Program Manager.

The Town issues payments to the Contractor upon the owner's signature on the Partial Payment Authorization or Certificate of Completion. The Contractor will provide signed and notarized

lien waivers for each payment or as appropriate.

### **Warranty**

The Contractor is responsible to the owner to provide all warranty information and warranty their work for a minimum of one year upon completion.

All manufacturer's warranties will be provided to the owner by the Contractor for materials installed.

### **OWNER RIGHTS AND RESPONSIBILITY**

This is a voluntary program on the owner's behalf. The owner has the right to withdraw their application at any time until after the 3-day right of rescission expires. The owner is not bound to the funding or contract until their 3-day right of rescission has elapsed after loan closing & contract signing.

The owner must disclose all required information promptly. Any willful misrepresentation may result in the disqualification of an application.

The owner has the right to hire any bidder they choose, as explained in the previous section on the bid process, subject to certain conditions.

Before installation, all colors, models, and materials will be selected or approved by the owner and Program Manager. The owner is responsible for responding to the Program Manager and/or the Contractor with these or any other decisions within a reasonable amount of time.

The owner must make themselves available for the Contractor to perform the work Monday – Friday between the working hours of 8:00 AM – 5:00 PM for site inspections, pre-bids, and meetings.

The owner is responsible for safely keeping their valuable possessions, moving, and storing furniture and personal items unless otherwise stated in the contract.

The owner cannot withhold payment to the Contractor for items unrelated to the contract or if the Town has approved the work.

While this brochure is meant to provide an overview of the Program and process, it does not cover every situation or individual case. Each application will be reviewed individually for compliance with Program guidelines.

\* Income limits (page 1) as determined by the USDA Rural Development Single Family Housing Direct Loan Program, Moderate Income for Litchfield County and are subject to periodic change.