



***The City of Kenner
Community Development Department***

Regular Owner-Occupied Housing Rehabilitation Program

PROGRAM DESCRIPTION



***Community Development Department
624 Williams Blvd., Kenner, LA 70062
504-468-7588
www.kenner.la.us***

The **Regular Owner Occupied Housing Rehabilitation Program**, also referred to as the **ROOR program** is administered by the City of Kenner Department of Community Development Department. It is designed to provide assistance to homeowners who live in properties located within the incorporated limits of the City of Kenner that are in need of repairs to address a Code violation or meet a HUD Housing Quality Standard (HQS).

The ROOR program will assist homeowners whose gross annual household incomes are at or below 50% of the Area Median Income as defined by HUD. See Chart 2 below. Successful applicants will be eligible for a deferred payment loan, i.e. grant, up to **\$40,000.00** to pay for direct program cost and the repairs required.

The primary mission and purpose of the ROOR program is to aid in the preservation of existing housing stock and the revitalization of low to moderate income neighborhoods. It is imperative that these grant funds are used in the manner specified by the HOME and CDBG program. In order to assure due diligence utilizing grant funds, a soft second mortgage will be placed on your property. This mortgage will be forgiven according to specific grant terms and an affordability period. (See Table 1). For example: An applicant receiving \$20,000.00 in assistance would be required to live in the home for ten (10) years in order that the loan is fully forgiven and therefore not repayable.

Chart 1: Affordability Period

| Amount of Assistance | Occupancy Period |
|-----------------------------|-------------------------|
| Less than \$15, 000 | 5 years |
| \$15, 000 - \$40, 000 | 10 years |
| More than \$40, 000 | 15 years |

Table 1

WHO IS ELIGIBLE?

Eligible Homeowners must be a U.S. citizen or Legal Alien with permanent residential status (in the US) who are the owner/occupants of the property. Homeowners who have clear title and ownership to the property are eligible to apply. The annual maximum allowable household income cannot exceed the following income limits based on family size as established by HUD. For example: the annual income of a family of four cannot exceed \$32,800.00

Chart 2: Qualifying Household Income limits *2018 Adjusted HUD Income Limits*

| Household Size | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|----------------|----------|----------|----------|----------|----------|----------|----------|----------|
| Maximum Income | \$23,000 | \$26,250 | \$29,550 | \$32,800 | \$35,450 | \$38,050 | \$40,700 | \$43,300 |

Eligible properties are:

1. Single Family detached structure located in the City of Kenner
2. Owner-Occupied and serve as the homeowners primary residence; vacant property is ineligible
3. Structurally sound, i.e. does not have foundation issues
4. Homes that have an existing condition that prevents property from meeting local code, safety or (HQS) Housing Quality Standards

Grant Terms

The amount of the deferred payment loan, i.e. grant amount, is limited to \$35,000.00 per household. This amount includes the direct program costs and the cost of construction determined by the low responsive bid received by the City of Kenner to address the repairs needed to the property. Direct program cost include the cost of preliminary inspections, estimated/appraised as is value of home before rehabilitation, construction management and the actual construction cost.

A detailed line item work write-up is provided as the bid document, identifying for the homeowner and the bidder each area of each room of the home and exterior of the property that will be addressed through the rehabilitation program work.

Upon the commencement of the rehabilitation work, the homeowner remains liable for following the grant conditions relating to the award of grant funds used in this program. The grant is secured by a soft-second mortgage filed on the property. The mortgage is non-interest bearing and is not repayable as long as the grant conditions are met. Repayment of funds can result under certain conditions.

Repayment of these funds are required if the home is:

- Sold, conveyed, granted or otherwise transferred during the occupancy period

- Vacated or abandoned as a primary residence during the prescribed occupancy period
- Used as investment or income producing property
- Not maintaining dwelling as a principal residence
- Not maintaining the dwelling as a single residence
- Leasing or renting any part or whole of the property
- Using any part or whole of the property for commercial use
- Not remedying Housing Quality Standards or housing code violations
- Not keeping the property insured from loss (homeowners and flood coverage)
- Intentionally harming or destroying the property
- Not disclosing financial transactions that increased indebtedness on property
- Not fully complying with the terms of this agreement

In the event of default, the city of Kenner will pursue all legal remedies reasonably considered to ensure that it recovers the full amount of CDBG/HOME assistance provided the property/owner.

How to Apply

Applications are available at the Community Development Administration Office: 624 Williams Blvd, Kenner, La 70062. A checklist is provided and must be completed and returned with your application. Applications will not be accepted unless they are accompanied by all supporting documentation requested.

If the number of applications exceeds available funds, a lottery will be conducted to select homes to be rehabilitated through the program.

For more information about the program call 504-468-7588

Funding for this program is made possible through the U.S. Department of Housing & Urban Development.



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