



COMMUNITY DEVELOPMENT BLOCK GRANT Home Improvement Grant Program

The City of Chino Hills has implemented a Home Improvement Grant Program as part of the City's overall strategy to assist low to moderate-income residents of Chino Hills in revitalizing their properties through the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant Program.

The primary objective of the Home Improvement Program is to provide Applicants with financial assistance necessary to rehabilitate and preserve affordable housing to benefit low- and moderate income households in the City of Chino Hills. These objectives will be met through the correction of building code violations and completing general property improvements. Types of improvements include: Improvements or repairs to meet local codes, standards, and ordinances; Repairs necessary for the proper operation of heating, plumbing and electrical systems; Energy-related improvements; Improvements for handicapped accessibility; and General exterior property improvements of a non-luxury nature. The grant covers all costs associated with the repairs, including labor, supplies, and materials, and eligible soft costs such as consultant project delivery costs, permit fees, and inspection services [4 CFR 92.5059(a), 24 CFR 85.20(b) (5) and §85.22].

Homeowners whose applications have been accepted for the program will receive a GRANT in an amount up to \$7,500 for eligible home repairs. The rehabilitation work must be free of any Health and Safety Code, Building Code, or other State and local code violations and must, at a minimum, meet Section 8 Housing Quality Standards (HQS).

HOW TO APPLY

Complete and submit application along with the required documentation. It is important to note that documentation will be required for EVERY PERSON living in your home. If a person does not have income (i.e., children), an affidavit may be required. Please be aware that your household income is calculated to include more than just your salary; it also includes certain investments or savings you may have.

Applications may be submitted to the Community Services Department in the following ways:

- Submit in person at the Community Services counter located on the second floor of City Hall, 14000 City Center Dr., Chino Hills, CA 91709
- Mail to City of Chino Hills, Community Services Department, Attn: Home Improvement Grant Program, 14000 City Center Dr., Chino Hills, CA 91709

ELIGIBILITY

Income-qualified Applicants shall receive assistance on a first come, first served basis subsequent to the submittal of a complete application inclusive of all required documentation. Applicants will not be discriminated against on the basis of race, color, religion, sex, sexual orientation, creed, ancestry, national or ethnic origin, age family or marital status, handicap or disability, or any other arbitrary basis. Applicants may participate in the Home Improvement Grant Program **once within any 10-year period**. Applicant eligibility is determined based on the following criteria:

1. Ownership – Ownership and occupancy must be at least one year at application submittal. The Applicant must be listed on the Grant Deed. The home may not be for sale or sold for a period of one year from the date funds are expended to the contractor.
2. Other Real Estate Holdings – Applicant must not own rental property or other real estate holdings other than the household's primary residence.
3. Property Taxes/Liens/Mortgages – All property taxes and assessments must be paid current, and the property must not have any recorded property or income tax liens. All outstanding mortgages recorded against the subject property must be current. The property shall be free of mechanic's liens, tax liens, and other liens as determined by the City of Chino Hills.
4. Location – Property must be located within the City of Chino Hills limits.
5. Eligible types of structures – Single family homes and mobile homes are eligible.
6. Homeowner's Insurance – The Applicant must have homeowner's insurance.
7. Household Income – Household income includes all adults 18 and over living in the home. All persons on the title to the property and all persons living in the property are considered household members for the purposes of determining income eligibility. The City must calculate the annual income of the family by projecting the prevailing rate of income of the family for a 12-month period at the time the City determines that the family is income eligible. Income verification information shall be updated, and applicant eligibility re-determined if such information is more than six months old prior to the beginning of rehabilitation works. Applicants will be notified in writing regarding eligibility status.

The gross annual income for all household members cannot exceed 80 percent of area median income adjusted for household size as published annually by HUD. HUD income limits as of June 1, 2025, are listed below. Income levels are subject to change annually.

<u>Household Size</u>	<u>Income</u>	<u>Household Size</u>	<u>Income</u>
1	\$ 62,650	5	\$ 96,700
2	\$ 71,600	6	\$ 103,850
3	\$ 80,550	7	\$ 111,000
4	\$ 89,500	8	\$ 118,150

The City must determine annual income by examining at least three (3) months of source documents evidencing annual income (e.g., wage statement, interest statement, unemployment compensation statement) for the family.

8. Liquid Assets – Total household liquid assets may not exceed \$25,000. Liquid assets include all funds held in savings, checking, money market, brokerage and trust accounts. Assets held in Individual Retirement Accounts (IRA's), 401(k) and other qualified deferred compensation retirement accounts, and whole life and whole life derivative insurance policies shall not be considered liquid for the purposes of this program provided that no holder of said accounts is greater than fifty-nine and one-half (59½) years of age. In the event that one or more account holders exceed fifty-nine and one-half (59½) years of age, assets held in the above-mentioned types of accounts would be considered liquid.

In the event that one or more account holders exceeds fifty-nine and one-half (59½) years of age and the gross household income (not adjusted for business losses) is less than or equal

to 30% of the San Bernardino County median income adjusted for family size, the liquid asset limitation shall be \$100,000. Income limits at 30% as of June 1, 2025 are listed below

<u>Household Size</u>	<u>Income</u>	<u>Household Size</u>	<u>Income</u>
1	\$ 23,500	5	\$ 36,250
2	\$ 26,850	6	\$ 38,950
3	\$ 30,200	7	\$ 41,650
4	\$ 33,550	8	\$ 44,300

9. Improvements – In order to qualify and to be eligible, no works shall commence prior to application approval and Issuance of a Notice to Proceed by the City.
10. Conflict of Interest – No member of the governing body of the City and any other official, employee, or agent of the City Government who exercises policy, decision-making functions or responsibilities in connection with planning and implementation of the program shall be directly or indirectly eligible for the Home Improvement Program. This restriction shall continue for two (2) years after an individual's relation with the City ends.
11. Fraudulent Application – If an Applicant knowingly makes a misstatement or omission in any statement, document, or application in connection with the Applicant's application for the Home Improvement Program, as determined at the sole discretion of the City, the Applicant shall be prohibited from applying for the Home Improvement Program for a period of three (3) years from the date the City notifies the Applicant of its discovery of such misstatement or omission. In addition to the disqualification from the Home Improvement Program, the Applicant may be subject to both civil and criminal prosecution and a demand for immediate repayment if any funds disbursed on behalf of the Applicant under the Home Improvement Program.

ELIGIBLE IMPROVEMENTS

Program funds are available for rehabilitation improvements that are physically attached and permanent in nature as follows:

1. Health and Safety – life threatening deficiencies must be addressed immediately if the housing is occupied.
2. Major Systems – include structural support, roofing, cladding and weatherproofing (e.g., window, doors, siding, gutters); plumbing; electrical; and heating, ventilation and air conditioning.
3. Lead Based Paint – A lead-based paint inspection report and risk assessment shall be required of any home built before 1978.
4. Accessibility – Properties occupied by a disabled household member(s) qualifies for services aimed at removing architectural barriers under this Program. In cases where it is not structurally or financially feasible to bring units into full compliance with Title 24 and Section 504, limited repairs or improvements increasing overall accessibility may be undertaken provided such repairs are conducted under a plan check, permit, and inspection process by the City's Community Development Department.

Examples of eligible improvements that will alleviate architectural barriers include, but are not limited to:

- Grab bars
 - Transitional floor coverings
 - Bathtubs or showers
 - Replacement of doorknobs with lever action handles
 - Sliding doors
 - Widening doorways and hallways
 - Toilet alterations or modifications
 - Plumbing alterations or modifications or ramps
5. State and Local Codes, ordinances, and Zoning Requirements – The housing must meet all applicable State and local codes, ordinances, and requirements. At a minimum, at the completion of each project, all known health and safety issue and all code violations shall be corrected. Every grant made under the Home Improvement Program shall be used to finance rehabilitation standards that address all health and safety issues and code violations, and no grant can be approved which would permit a dwelling until after rehabilitation to be out of compliance with application codes.
 6. Exterior Repairs – Exterior work to help preserve or protect structures, roofing, siding (if significantly damaged), re-leveling, repair/replacement of screens/windows, doors and doors locks, structural and/or foundation damage, replacement of deteriorated attached porch and step structures.
 7. Asbestos Removal – Fumigation and treatment of termites and pest control.

INELIGIBLE IMPROVEMENTS

1. Installation and/or repair of recreational items such as barbecues, swimming pools, saunas
2. Luxury items such as carpeting (other than water-damages or carpeting that is not decent, safe or sanitary,), patios, decks and storage sheds. Any freestanding appliances such as microwave ovens, refrigerators, dishwashers, and fans.
3. Room additions or extensions
4. Other items deemed ineligible by the Director or his/her designee.

PRIORITY OF IMPROVEMENTS

Improvements will be approved and made to the property in the following order of importance:

1. All building code violations
2. All violations related to health and safety standards.
3. Repair or replacement of major systems including but not limited to roof, electrical, plumbing, and air conditioning/heating systems
4. Energy efficient items such as new dual glazed windows, insulation
5. Exterior and interior incipient deficiencies. An incipient deficiency exists if, at the time of inspection, it appears that the physical condition of an element in the structure may fail or deteriorate into an actual deficiency in the near future (within 1 -2 years)
6. General property improvements

PROCESS

If application is approved, an inspector will call to schedule an appointment to discuss the rehabilitation work. The inspector will create a work write-up with approved work that be used to obtain competitive bids from licensed contractors. The City will review the bids and assist in selecting the most cost-reasonable bid. After the work is completed, the work will be inspected for final approval. The contractor will provide an invoice and current W9 tax form along with any necessary City or California Department of Housing and Community Development (HCD) permits. Upon approval, the contractor is then paid. Payment to contractors can take up to 60 days.

1. Initial Inspection

All work done under this program will be subject to inspection. An initial inspection shall be conducted by City Staff or a qualified consultant to determine the current conditions of the property. The purpose of this inspection is to ascertain the amount of rehabilitation needed and/or determine the eligibility of the improvements requested. The inspection will be conducted in such a manner that each deficiency/violation will be recorded with respect to the property rehabilitation standards for the program that has been applied for.

Lead-based paint evaluation and requirements for pre-1978 units

If the housing unit in question was built prior to January 1, 1978, the lead-based paint requirements apply. Any required lead-based paint inspections (initial and clearance) will be performed by an approved City vendor. The cost of initial testing and clearance will be included as part of the owner's grant. In the event that an initial clearance test fails, it will be the contractor's responsibility to pay for supplemental clearance tests. The contractor engaged to encapsulate and/or stabilize lead-based paint will not be paid until evidence of a lead-based paint clearance is presented to the City. Lead based paint inspection reports and risk assessments (as applicable) will be provided to the owner and made available to contractors.

Emergency Repairs

An immediate rehabilitation is considered necessary to address emergency situations such as natural disasters and life safety emergencies such as nonfunctioning hot water heaters, furnaces, leaky roof, etc. The determination of an emergency will be made on a case-by-case basis by the Community Services Director. The amount of the grant funding that the applicant will receive will cover the cost to eliminate the emergency condition only. If any grant funds remain and other repair projects are needed, they will follow the general process.

2. Work Write-up

A work write-up shall be prepared by City Staff or a qualified consultant to include rehabilitation work items necessary to address all concerns.

3. Cost Estimate

Based on the work write up, the City's rehabilitation consultant shall prepare a written cost estimate to assist in determining the reasonableness of bids received from contractors. The cost estimate shall be reviewed and approved by City Staff prior to bidding.

4. Bidding, Contractor Eligibility, and Contract Award

- a. Applicants may NOT perform repairs themselves. All work must be performed by a licensed contractor. The work write-up shall be used by City Staff or a qualified consultant to solicit not less than three (3) bids from eligible contractors. Of the bids submitted, the City shall award the contract to the qualified contractor whose bid is most cost-reasonable, provided that the costs are reasonable in comparison to the cost estimate generated prior to bidding. The cost for all necessary building permits must be included in the total project cost.
- b. Applicants may select their own contractors as long as they satisfy the requirements set forth below:

- Copy of their current license from the State of California Contractors State License Board indicating the classification (“B” for general and “C” for specialized work). City staff shall confirm the validity of the contractor’s license by accessing the California State Licensing Board website. Contractors with invalid licenses or pending complaints will not be permitted to participate in the Program.
 - Certificate of insurance for general liability and automobile insurance in an amount not less than two million dollars (\$2,000,000) naming the City as an additional insured, and a copy of the additional insured endorsement.
 - Evidence of current workers’ compensation coverage
 - Copy of current City Business License
- c. City staff shall verify that the contractor’s company name and all listed personnel are not included in HUD’s most recent list of contractors debarred from participating in federally funded projects by accessing the System of Award Management website.

5. Notice to Proceed

A Notice to Proceed will be issued by the City of Chino Hills prior to the commencement of work. All projects must be completed within 90 days from the date of the Notice to Proceed, or as otherwise specified or permitted by the City of Chino Hills. The contract will solely be between the property owner and the contractor.

6. Change Orders

A cost analysis shall be performed of any change order that would add additional scope and cost to the project. This analysis shall be performed to establish costs reasonableness. The contractor shall furnish information on the cost of materials, overhead and profit so that the City may determine the reasonableness of the proposed change order.

7. Final Inspection

A final inspection will be required for all work performed and completed under this contract and before any payments are issued to the contractor. Subsequent to the receipt of the contractor’s final invoice, City Staff or qualified consultants shall visit the property to review the completed rehabilitation work with the Applicant to ensure that all contracted work has been completed. Final photographs of the completed works shall be obtained and filed with the photographs from the initial inspection to show the conditions of the property before/after. If the project requires a building permit, a City Building Inspector will perform required inspections as mandated by the Uniform Building Code and/or the City’s Municipal Code. Some work will require a building permit that must be obtained from the California Department of Housing and Community Development (HCD).

8. Payment

All work will be paid to the selected contractor by the City of Chino Hills within 60 days of completion of the project.

REQUIRED DOCUMENTS

All the items below are required to determine the Applicant's eligibility. Therefore, failure to provide documents will render the Applicant not eligible. Staff will review the completed application to determine eligibility. If deemed eligible to participate in the program, Applicant will be notified. All documents must be copies. Original documents will NOT be returned.

1. Home Improvement Application
2. A completed and signed Household Size Affidavit
3. A completed and signed Right of Entry Form.
4. Proof of Home Ownership
 - If you own a single-family home, please attach a copy of the recorded Grant Deed, and a copy of the most recent Property Tax bill for your property.
 - If you own a Mobile Home, please attach a copy of the Certificate of Title and a copy of the current Department of Motor Vehicle (DMV) Registration Certificate.
 - Property Taxes – Copy of tax bill and proof of payment
 - Mortgage – Recent payment statements with current loan balance
5. Proof of Insurance – current Homeowners Insurance Policy
6. Proof of Residency
 - Copy of California Driver's License/Identification card for all homeowners.
 - Copies of two (2) current, different utility bills (i.e. water, gas, telephone, or electricity bill). If you live in a mobile home park and have several utilities billed on your rent, please provide space rent bill and another bill such as a telephone bill.
7. Proof of Income Eligibility

Applicant is required to submit all applicable items listed below to determine income eligibility for all adult household members:

- Federal Income Tax Return: Copy of the most recent filed Federal Income Tax Return (signed) with all schedules. For self-employed applicants, submit the last two (2) most recent filed and signed Federal Income Tax Returns with all schedules. If you are not required to file a tax return, you must obtain a letter from the Internal Revenue Services stating you were not obligated to file income taxes for the preceding calendar year. You may contact the IRS at 1-800-908-9946.
- Employment – Three (3) most recent consecutive months of paycheck stubs
- Social Security – Current year award letter showing the gross monthly Social Security payment amount.
- Retirement/Pension – Current year's award letter with copies of checks/stubs for three (3) most recent consecutive months.
- Disability/Unemployment – Current year's award letter; with copies of checks/stubs for the three (3) most recent consecutive months.
- AFDC/Welfare/CALWOKS – Current year's award letter with copies of checks/stubs for the three (3) most recent consecutive months.
- Asset Income – Three (3) months consecutive statements for all asset accounts (checking, savings, CDs, Annuities, trusts, stocks, bonds, life insurance policies, etc.)