



## Lead Safe Housing Program Description

The City of Portland and the Cumberland County Lead Hazard Control Consortium (CCLHCC) has adopted the following policies for the administration of its Lead-Based Paint Hazard Control Program funded by the U.S. Department of Housing and Urban Development (HUD). The goals of the program are:

- Increase public awareness of lead-based paint hazards.
- Implement a coordinated program for lead hazard reduction in target neighborhoods.
- Create additional lead safe dwellings in the City of Portland and Cumberland County. The program has created 434 lead safe units from (1995- 2016).

All program activities will be closely coordinated and monitored by the CCLHCC. Program activities will be conducted in conformance with the protocols and regulations issued by HUD, EPA, OSHA, and the Maine Departments of Health and Human Services and the Environmental Protection Agency. All units and participants selected for the program shall meet eligibility requirements established by HUD.

**IMPORTANT:** As a condition of receiving lead hazard control funds, property owners must:

- (1) rent units to low-income families for a period of 3 years;
- (2) correct outstanding code violations;
- (3) be current on all payments due to the municipality in which the property is located (real estate taxes, water and sewer charges, rehab loan, etc.).

Selection of units will be based on the following descending order of priorities:

- Units occupied by a child with an elevated blood lead level of 5 ug/dl or greater
- Units occupied by children less than six years of age
- All other units with two or more bedrooms and located in target areas.

Target areas include Portland and Westbrook. Properties located in other areas of Cumberland County may be considered depending on available funds and program capacity. Program staff will determine eligibility. Applicants dissatisfied with eligibility determinations, priority selection, or other decisions made by program staff may appeal to the Director of the Housing and Community Development Division.

Eligible units selected for the program will receive the following services at no cost to the owner:

- XRF testing of the unit(s) to determine the extent of lead-based paint hazards
- Development of abatement specifications by a consultant and the CCLHC
- Blood screening of children, resident education, and if necessary, relocation services
- Inspection and testing after completion of lead hazard control to ensure satisfactory work

The above services will be paid by the Program if performed in accordance with eligibility criteria, HUD Guidelines, and are conducted by a licensed, qualified, properly insured inspection/lead risk assessor. The CCLHC has such a consultant available to perform this work. Owner may choose their own consultant but the consultant must be a licensed, qualified, properly insured inspection/lead consultant. If the owner does not choose a licensed, qualified consultant, the CCLHC will be under no obligation to fund the services. Funding will be provided dependent upon owner income and other selection criteria. A mortgage deed will be placed on the property to ensure occupancy and HUD low-income tenant requirements are maintained for required period of time.

The owner will contract directly with the lead hazard control contractor for the performance of required services. The CCLHCC will develop contracts and specifications for use by the owner. The CCLHCC must ensure that all services performed in this program meet all applicable HUD, EPA, OSHA, and Maine regulations and guidelines and that all consultants and contractors are licensed, qualified, and properly insured to perform the work.

The following criteria have been established for the CCLHCC Lead Safe Housing Program. Selection priorities previously identified will be in effect when applying these criteria.

#### **Single Family Homes** (see attached excerpt from Title X)

- Owner occupant household income cannot exceed 80% of the median income for the Greater Portland area as established by HUD.
- At the time of application a child under the age of six (72 months) must reside in the home.
- The funding cap is \$25,000 per single-family homeowner. A waiver of this loan cap may be provided contingent upon homeowner's financial circumstances and risk to children in the household...

Deferred grant terms are as follows;

- 1) All qualified applicants for single family home lead based paint hazard reduction will receive a deferred loan depending on the availability of funds and the unit selection priorities listed. The deferred loan will place a mortgage deed on the property that will be forgiven in five years if the current owner retains the property. If the property is sold or otherwise transferred prior to the 5-year period, a descending balance will be owed upon transfer of title. The rate of repayment if title transfer occurs during the five-year period is listed in item #2. During the five-year period, the homeowner will not be responsible for payments and no interest will accrue. If the owner continues to reside in the home, the full amount of the loan will be forgiven after the 5-year period has expired.

2) Repayment schedule if the property is sold or title is transferred within the 5 year cycle:

Year 1	100% repayment
Year 2	80% repayment
Year 3	60% repayment
Years 4 and 5	40% repayment
Year 5 anniversary	0% repayment

### **Owner Occupied Two Family and Multifamily Apartment Buildings**

(see attached excerpt from Title X)

- Owner occupant household income cannot exceed 80% of the median income for the Greater Portland area as established by HUD.
- At the time of application, a child under the age of six (72 months) must reside in the owner's unit (Note: If the owner's unit is not occupied by a child under the age of six (72 months) and or if owner income exceeds 80% of median, the unit cannot qualify, however, the other units in the building may qualify)
- Maximum lead hazard control grant is \$10,000 per unit or \$100,000, whichever is less. Units qualifying for lead hazard control funds will be consistent with the Residential Lead-Based Paint Hazard Reduction Act of 1992 commonly referred to as Title X (Section 1011 a) of which excerpts are attached. A waiver of this grant cap may be provided contingent upon owner's financial circumstances and risk to children in the building.

Deferred Loan terms are as follows;

- 1) All qualified applicants for owner occupied two-family or multi-family apartment lead based paint hazard reduction will receive a deferred loan depending on the availability of funds and the unit selection priorities listed. The deferred loan will place a mortgage deed on the property that will be forgiven in five years if the current owner retains the property. If the property is sold or otherwise transferred prior to the 5-year period, a descending balance will be owed upon transfer of title. The rate of repayment if title transfer occurs during the five-year period is listed in item #3.

During the five-year period, the homeowner will not be responsible for payments and no interest will accrue. The full amount of the loan will be forgiven after the 5-year period has expired.

- 2) The City will monitor tenant incomes in the building for the required three-year period to ensure compliance with HUD regulations. Violations of this requirement may result in a call for immediate payment of the loan amount.
- 3) Repayment schedule if the property is sold or title is transferred within the 5 year cycle:

Year 1	100% repayment
Year 2	80% repayment
Year 3	60% repayment

Years 4 and 5	40% repayment
Year 5 anniversary	0% repayment

**Investor Owned Apartment Buildings** (see attached excerpt from Title X)

- Investor owners shall be limited to \$10,000 per unit or \$100,000, whichever is less. Units qualifying for lead hazard control funds will be consistent with the Residential Lead-Based Paint Hazard Reduction Act of 1992 commonly referred to as Title X (Section 1011 a) excerpts of which are attached. A waiver to exceed the grant cap may be provided contingent upon an analysis of the owner's financial circumstances, analysis of the cash flow of the rental building, and risk to children living in the building.
- Enrolled units must be leased to low-income tenants for at least three years following completion of the lead hazard reduction project.

Deferred Grant Terms are as Follows:

- 1) All qualified applicants for investor owned apartments lead based paint control would receive a deferred loan depending on the availability of funds and the unit selection priorities listed. The deferred loan will place a mortgage deed on the property that will be forgiven in five years if current owner retains the property. If the property is sold or otherwise transferred prior to 5-year period, a descending balance will be owed upon transfer of title. The rate of repayment if transferred occurs during the five-year period is listed in item #3. During the five-year period, the owner will not be responsible for payments and no interest will accrue. The full amount of the loan will be forgiven after the 5-year period has expired.
- 2) Program staff will monitor incomes in the building for the required three-year period to ensure compliance with HUD regulations. Violations of this requirement may result in repayment of the loan amount.

Year 1	100% repayment
Year 2	80% repayment
Year 3	60% repayment
Years 4 and 5	40% repayment
Year 5 anniversary	0% repayment

**Nonprofit Owners/Housing Organizations** (See attached excerpt from Title X)

- Nonprofit owners or housing organizations shall be limited to \$10,000 per unit but may enter as many income eligible units as they wish, contingent upon available funds. A waiver to exceed the loan cap may be provided contingent upon an analysis of the owner's financial circumstances, analysis of the cash flow of the rental building, and risk to children living in the building. The Director of the Housing and Community Development Division must approve a waiver of the loan cap.

**Grant Terms**

- 1) Qualified nonprofit owners are eligible for grants with no recapture so long as they

commit to rent units to low-income tenants for three years.

Owner has read the above-described policies and agrees to abide by them as a condition of participating in the Lead Safe Housing Program. Failure to abide by these policies may result in nonpayment of lead hazard control funds to the owner.

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Owner Signature

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Date

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Co-Owner Signature

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Date

Residential Lead-Based Paint Hazard Reduction Act of 1992 (Title X) Section 1011 (a) states, in part:

- (1) for grants made to assist rental housing, at least 50 percent of the units must be occupied by or made available to families with incomes at or below 50 percent of the area median income level and the remaining units shall be occupied or made available to families with incomes at or below 80 percent of the area median income level, and in all cases the landlord shall give priority in renting units assisted under this section, for not less than 3 years following the completion of lead abatement activities, to families with a child under the age of six years, except that buildings with five or more units may have 20 percent of the units occupied by families with incomes above 80 percent of area median income level;
- (2) for grants made to assist housing owned by owner-occupants, all units assisted with grants under this section shall be the principal residence of families with income at or below 80 percent of the area median income level, and not less than 90 percent of the units assisted with grants under this section shall be occupied by a child under the age of six years or shall be units where a child under the age of six years spends a significant amount of time visiting;

## FY 2016 HUD Income Limits Effective June 6, 2016

Communities of:

Cape Elizabeth, Casco, Cumberland, Falmouth, Freeport, Gorham, Gray, Long Island, North Yarmouth, Portland, Raymond, Scarborough, South Portland, Standish, Westbrook, Windham, Yarmouth

Family Size:	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
30% of median	\$16,150	\$18,450	\$20,750	\$23,050	\$24,900	\$26,750	\$28,600	\$30,450
50% of median	\$26,900	\$30,750	\$34,600	\$38,400	\$41,500	\$44,550	\$47,650	\$50,700
60% of median	\$32,280	\$36,900	\$41,520	\$46,080	\$49,800	\$53,460	\$57,180	\$60,840
80% of median	\$43,050	\$49,200	\$55,350	\$61,450	\$66,400	\$71,300	\$76,200	\$81,150

Communities of:

Baldwin, Bridgton, Brunswick, Harpswell, Harrison, Naples, New Gloucester, Pownal, Sebago

Family Size:	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
30% of median	\$15,100	\$17,250	\$19,400	\$21,550	\$23,300	\$25,000	\$26,750	\$28,450
50% of median	\$25,150	\$28,750	\$32,350	\$35,900	\$38,800	\$41,650	\$44,550	\$47,400
60% of median	\$30,180	\$34,500	\$38,820	\$43,080	\$46,560	\$49,980	\$53,460	\$56,880
80% of median	\$40,250	\$46,000	\$51,750	\$57,450	\$62,050	\$66,650	\$71,250	\$75,850