

Columbia Homeowner Assistance Program (CHAP)

Program Eligible Activity: Rehabilitation - Housing, 24 CFR 570.202, 24 CFR 570.201 (d), 24 CFR 570.605

National Objective: Low- and Moderate-Income Benefit

Activity Allocation: \$6,218,750

Overview and Delivery

The Columbia Homeowner Assistance Program (CHAP), administered by the City's Community Development Department, will provide up to \$150,000 for rehabilitation, repair, or reconstruction of owner-occupied households with major damages directly related to the October 2015 disaster and with unmet needs exceeding \$25,000. The program will also provide assistance to meet elevation requirements where required. Only LMI households will be assisted.

In order to leverage limited CDBG-DR funding, homeowners eligible to participate in FEMA's Increased Cost of Compliance (ICC) program, must apply for this funding if elevation of the rehabilitated structure is necessary. Assistance for reconstruction of substantially damaged, owner-occupied dwellings will also be provided; the International Residential Code and Green Building certification requirements will be applied to all reconstruction activities. In all cases, sufficient federal and non-federal resources must be available to complete rehabilitation and reconstruction projects to HUD and CDBG Disaster Recovery Housing Standards.

Funding for this program will be capped at \$150,000, not including relocation assistance; work that addresses decent, safe, and sanitary conditions as defined by the DR Housing Standards and compliance with City building codes and floodplain ordinances when appropriate; the costs of environmental remediation and implementing Green Building Standards; the costs of initial homeowner hazard insurance premiums and coverage of flood insurance premiums (for properties covered by the Flood Disaster Protection Act of 1973 as amended, pursuant to §570.605) for one year.

Connection to Disaster and Updated Needs Assessment

CHAP was developed to address 76 low to moderate-income single-family households identified by FEMA as sustaining *Major* or *Severe* damages as a result of the flood. While elderly, disabled, and female headed households with children will be prioritized for participation in the program, all LMI households will be given the opportunity to receive assistance.

In May 2017, Disaster Recovery staff mailed letters to 259 households on FEMA's major and severe damage lists inviting them to participate in one of two public information sessions and schedule an appointment with a Case Manager. To date Case Managers have processed 65 applicants, 50 are eligible and have been inspected for damages; 48 have received environmental clearance and are in the construction phase.

The CDBG Disaster Recovery team hosted eight additional outreach sessions from July 10 – August 2; total attendance was 135. The City's Public Relations Department (PRD) issued press releases to approximately 70 local media organizations and interviews were conducted by several television and radio stations. Photos taken at one of the initial public information sessions was posted on YouTube. A second press release was issued July 10 announcing the final eight public information sessions. PRD issued a press release and outreach flyer on August 2 announcing the final public information session. Program information was posted on the Disaster Recovery

website, the City Talk July 14; WISTV posted a notice on its website July 18; ABC Columbia posted notices on its website July 10 and July 30; and the Director of Community Development and the Disaster Recovery Manager appeared on WIS TV August 1 to discuss the Disaster Recovery program.

The provision of safe, disaster resistant housing for residents impacted by the October 2015 flood is critical to the Columbia's long-term recovery strategy. While single family owner-occupied or rental dwellings suffered the greatest damage from the declared disaster, it is our belief, based on continuing community outreach and information exchange with Richland and Lexington Counties and the United Way of the Midlands, that many of the homeowners identified in the Action Plan have either completed repairs on their own or do not meet the low to moderate income requirements. The program will serve those that have met eligibility requirements and will remain open to applicants until all funds have been expended or reallocated. After some initial damage assessments, we believe some of the applicants to our Minor Repair Program will have more than \$25,000 in damages and will be moved to CHAP. The City is proposing that the initial allocation to this program be reduced to fund other recovery initiatives.

Home repairs and improvements funded through this program will minimize the impact of future storms and floods. By addressing the most critical unmet housing needs and encouraging high-quality, disaster resistant construction, the City improves the long-term safety and stability of its community. These home repairs also help stabilize damaged neighborhoods, retain consumers for local businesses, preserve the local tax base, and encourage new investment.

Eligible Applicants

Eligibility requirements for participants in this program are:

- Damaged residential dwelling must be located within Columbia City Limits.
- Applicants must have owned and occupied the damaged property as their primary residence as of and prior to the date of the storm event (October 2015).
- Damaged residence must be a single-unit structure, duplex, townhome, or condominium.
- Application for and receipt of ICC funding for elevation, if required.
- Sufficient gap financing if required.

Ineligible Applicants

Ineligibility criteria for this program are:

- Homes located outside of Columbia city limits.
- Secondary homes or rental properties.
- Residential structures with more than two units or rental properties.
- Applicants without flood insurance who have received prior federal assistance requiring the maintenance of flood insurance in perpetuity.
- Gap financing unavailable to complete rehabilitation, reconstruction, and/or elevation projects in accordance with city building code and floodplain requirements.
- Ineligible structure type.

Prioritization of Applicants

One of the City's most important goals is to assist LMI owner-occupied households who experienced the most severe damage. Among those, priority will be given to applicants who are elderly, disabled, and female head of households with children.

Use of Funds

CDBG-DR funds will be provided in the form of a direct grant agreement between the City and the applicant and through a construction agreement between the applicant and the selected contractor. The grant agreement will include obligations to: 1) authorize payments directly to the contractor responsible for executing rehabilitation, elevation and/or reconstruction work; 2) repay the City should additional federal assistance become available for physical repairs completed by the CDBG Disaster Recovery team after calculation of the grant amount; 3) own and occupy the damaged dwelling as a primary residence for a period of five (5) years after the completion of repairs; and 4) maintain flood insurance in perpetuity if located within a floodplain. Execution of a program covenant memorializing the flood insurance requirement and a subrogation agreement are also required.

Monitoring

Monitoring of program compliance will be performed by the City's Community Development compliance staff and the internal auditor in accordance with the CHAP executed grant agreements and covenants, the Disaster Recovery QA/QC Plan, program policies and procedures, and the City of Columbia CDBG-DR Monitoring Plan.

Start and End Date

January 2018 —December 2021 (See Exhibit C for Detailed Expenditure and Performance Projections as stipulated in Federal Register Notice and on the HUD website).