

## **City of Columbia Minor Repair Program (MRP)**

**Eligible Activity:** Rehabilitation – Housing, 24 CFR 570.202, 24 CFR 507.201

**National Objective:** Low- and Moderate-Income Benefit,

**Activity Allocation:** \$7,309,450

### **Overview and Delivery**

The Minor Repair Program (MRP), administered by the City's Community Development Department, assists primarily low-to-moderate income (LMI) owner-occupied households that sustained *minor* damages as a result of the 2015 storm and who have remaining repair needs not covered by the FEMA Individual Assistance Program or Small Business Administration. Funding up to \$25,000 will repair rain/flood damages and includes work related to Green Building improvements, and repairs necessary to provide decent, safe and sanitary conditions as defined by the DR Housing Standards, and comply with City building codes when appropriate, thus ensuring these housing units are more resilient to future natural hazards. Relocation assistance and environmental remediation costs will be provided outside the \$25,000 program cap.

The City has received 233 applications for the Minor Repair Program to date. Of those 180 have met preliminary eligibility criteria and have been assessed for damages environmental reviews are underway; approximately 28 MRP applicants may move to the CHAP program due to more extensive damage than projected. This number is far below the number projected in the original Action Plan. Applicants that are not eligible under current guidelines fall into two categories: over income limits (sometimes by hundreds of dollars) and those that did not register with FEMA. ~~In our desire to assist more homeowners with storm damaged residences, the City has increased the income limits to 120% AMI. Ninety-four percent (94%) of eligible applicants (170) meet the 80% or less AMI income requirement; ten applicants, or six percent (6%), will meet the Urgent Need national objective. These changes could allow us to repair another 100 homes, thus boosting our ability to minimize the impact of future storms while still offering financial assistance to households with limited resources.~~

As a result of outreach efforts and information provided by applicants, the City also recognizes that many homeowners did not wait for federal assistance to complete necessary repairs, many securing loans or using savings to pay for repairs. To address this unmet need the City may reimburse applicants who used *personal funds* to repair damage to their homes resulting from the storm if the program determines the costs associated with these repairs are both reasonable and necessary and applicants can demonstrate a financial hardship. Reimbursements are limited to costs incurred by homeowners for storm-related repairs completed satisfactorily by a licensed contractor prior to program application and within one year of the 2015 Flood. The minimum amount of reimbursement is \$5,000 with a \$10,000 maximum allowable. Applicants for reimbursement may include households already deemed eligible. Detailed receipts will be necessary and a duplication of benefits review will apply to reimbursement costs.

### **Connection to Disaster and Unmet Needs**

The provision of safe, disaster resistant housing for residents impacted by the October 2015 flood is critical to Columbia's long-term recovery strategy. 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 and minimizes the impact of future storms and floods. These home repairs also help stabilize damaged neighborhoods, retain consumers for local businesses, preserve the local tax base, and encourage new investment.

Based on damage assessments and remaining housing needs cited in this Action Plan Amendment, the City determined that single family owner-occupied dwellings suffered the greatest damage from the 2015 Flood. Home repairs and improvements funded through this program will assist those low-income households not eligible for the City's Buyout and Homeowner Assistance Programs, which focus on homes with major to severe damages and those inside the floodplain. Ninety-four percent (94%) of low income, owner-occupied households suffered minor to moderate damage and may not be eligible for those programs. As this group may be less likely to register with FEMA, the need is probably much greater than anticipated.

### **Eligible Applicants**

Eligibility requirements for participants in this program are:

- Damaged residence 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).
- Applicants must have sustained minor storm damages.
- Damaged residence must be a single-unit structure, duplex, townhome, or condominium with \$25,000 or less in damages.
- Applicants must be between 0-80% AMI at application intake.

### **Ineligible Applicants**

Ineligibility criteria for this program is:

- 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.
- Ineligible structure type.

### **Prioritization of Applicants**

Applicants who are elderly, disabled, or female headed households with children will be given first priority for participation in MRP. Currently, more than 50% of eligible applicants are elderly, 15% are disabled, and 88% are female headed households with children. Remaining applications for assistance will be processed in the order they are completed and determined eligible. The City expects to assist 350 households through this program

### **Use of Funds**

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 executing repairs; 2) own and occupy the home for not less than three (3) years after the completion of repairs; 3) 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; and 4) maintain flood insurance in perpetuity on the damaged home, if located within a floodplain. Execution of a program covenant memorializing the flood insurance mandate will also be required for homes in the floodplain.

**Monitoring**

Monitoring of program compliance will be performed by the City's Community Development compliance staff and the Internal Auditor in accordance with the MRP executed grant agreements, covenant and subrogation requirements, program policies and procedures, the Disaster Recovery QA/QC Plan, 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).