



# **Homeowners Preservation Funding Program Manual (HOPP)**

**Effective - November 1, 2018**

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## General Definitions

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**Annual Income** - The gross income of all adult household members eighteen (18) years or older that is anticipated to be received in the upcoming twelve (12) month period.

**Application** - The completed and most recently released forms, schedules, attachments, and any additional documentation requested as part of the GHF application package. Where applicable GHF will accept duplicate documentation (such as income verification forms, work write up forms, etc.) from other established rehabilitation funding programs such as City and or County of Greenville and the SC State Housing Trust Fund.

**Compliance Period** - The five (5) year time-period that program restrictions are in effect regarding housing occupancy. The compliance period begins on the date the Restrictive Covenant is executed.

**Construction Cost Sheet** - Allowable costs and item/material specifications which outlines the Sponsor best estimate for necessary repairs. The Construction Cost Sheet can be found on the GHF webpage or the Sponsor may submit a similar Cost Sheet from another Repair Program.

**Contractor** - An individual or company, properly licensed as a 1) General Contractor with a classification of **Building** (BD, LB, UB); OR 2) Residential Builder, that undertakes a contract to provide materials and/or labor to perform a service or do a construction job. Such Contractor must be licensed by the SC Dept. of Labor, Licensing and Regulation with an "active" status, have an effective \$1 million general liability insurance policy and a worker's compensation policy. Contractors may not exceed their own LLR dollar limitations or work on more than five (5) emergency repair and four (4) owner-occupied rehabilitation houses, whichever is less.

**Deed of Distribution** - The Probate Court Form that transfers real property from a decedent's estate to those who inherit it. The form must be recorded with the Register of Deeds or the Clerk of Court in the county in which the property is situated.

**Funding Agreement** - The written contract between the Greenville Housing Fund and the Sponsor. It contains the terms and conditions of the Greenville Housing Fund award, states the award amount, the project's purpose and the beneficiaries being served.

**Manual** - The Greenville Housing Fund Homeowner Preservation Funding Program Manual.

**Nonprofit** - An organization that is exempt from income tax under section 501 (c) (3) or 501 (c) (4) of the Internal Revenue Code of 1986 as amended and registered with the South Carolina Secretary of State.

**Owner-Occupied Home** - A single-family unit in which the owner(s) of the unit lives and has lived for no less than two (2) years as a principal residence.

**Rehabilitation** - Improvements that are being made to an existing structure.

**Restrictive Covenant** - A promise in a written contract or a deed of real property that limits what the owner of the land can do with the property. Specifically in the GHF program, if applicable, the Restrictive Covenant ensures those who live on the property comply with GHF requirements, including, but not limited to, income limitations. The GHF's intent is for assisted property to be occupied by low-income individuals for five (5) years.

**Site-Specific** - The site on which the housing unit(s) to be repaired is located.

**Sponsor** - An approved nonprofit organization or unit of local government.

**Subcontractor** - A business/person that is hired by the Contractor to perform a specific task as part of the overall construction project.

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## **Greenville Housing Fund Overview**

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Greenville Housing Fund wants to enable thriving diverse neighborhoods in all of Greenville. The Mission of the Greenville Housing Fund is to further the production and preservation of quality affordable and workforce housing that meets the needs of all residents regardless of income.

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## **Homeowner Preservation Program Overview**

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The Homeowner Preservation Program (HOPP) is designed to assist low and moderate income homeowners in making repairs to their owner-occupied homes. The goal is to preserve affordable homeownership for existing residents and ensure their health and safety. The purpose of the activity is to correct life, health and safety issues, provide accessibility for disabled persons, repair or replace major housing systems and address structural problems. All awards are subject to the GHF program policies, procedures and all other applicable requirements.

Sponsors are encouraged to use other funding sources in conjunction with GHF and must provide a commitment letter of other funding at the time of application, if additional funds are required and applicable.

### **Rehabilitation Repair Priorities:**

When providing funds for rehabilitation, the Sponsor should review any health and safety issues with the house and the major systems listed below.

### **Eligible GHF HOPP Repairs:**

Following are repairs that can be made through the GHF HOPP program:

- Roofs
- HVAC
- Exterior Doors and Windows
- Handicap Accessibility
- Plumbing
- Electrical
- Structural
- Floors
- Porches
- Exterior Surfaces
- Interior Surfaces

## **Eligible Sponsors:**

Approved nonprofits and units of local government are the only eligible Sponsors. Sponsors must complete a Sponsor application. All nonprofits must be approved by GHF prior to the submission of any GHF HOPP funding application. Funding Applications submitted by nonprofits which are not approved by the GHF will be returned.

## **Terms of Financial Assistance:**

<b>Maximum Block Grant Funding:</b>	\$25,000 (including the developer fee)
<b>Minimum GHF Rehabilitation Funding per Beneficiary/Property:</b>	No Minimum
<b>Maximum GHF Rehabilitation Funding per Beneficiary/Property:</b>	\$5,000/unit
<b>Minimum Number of Properties per Grant:</b>	5
<b>Maximum Administrative Fee:</b>	15% of total funding provided

Approved nonprofit sponsors will receive GHF funds in the form of a grant.

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## **Eligibility Requirements for Properties**

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### **Property Owned by Beneficiary:**

The Sponsor must provide a warranty deed in the name of the beneficiary(s) for whom the funding is sought. The deed must be legible and recorded with the Register of Deeds or the Clerk of Court in the county in which the property is located. It must indicate the book and page numbers, the date recorded, and the office where recorded. Mortgages are not deeds and are NOT to be submitted as proof that a property is eligible. **Sponsors are responsible for obtaining the proper deed. Online proof of ownership is acceptable, such as Greenville County or City Tax Assessor records or mortgage documentation from a financial institution.**

### **Manufactured Housing/Mobile Homes Owned by Beneficiary - INELIGIBLE**

### **Tax and Lien Verification:**

To ensure that GHF funds are not committed to properties in the process of being foreclosed, the following documentation is required to be submitted with each HOPP Beneficiary Application:

1. Documentation from the tax assessor that the property taxes are current. **(Online proof is acceptable)**
2. Written verification from all entities with liens on the property stating that the account is in good standing and that foreclosure proceedings have not been initiated. **A current mortgage statement or bank letter is acceptable documentation.**

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## **Eligibility Requirements for Beneficiaries**

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PLEASE NOTE, **Approved Nonprofit Sponsors** and their employees or volunteers (voluntary or paid), are **NOT ELIGIBLE BENEFICIARIES**. **Exceptions will be made to organizations that require beneficiaries to provide sweat equity or volunteer hours as part of the repair benefits.**

### **HOPP Beneficiary Applications: (Eligible Homeowners)**

Once a HOPP Grant has been approved and the Funding Agreement has been executed and returned to the GHF, HOPP Beneficiary Applications may be submitted. Such applications may be submitted one at-a-time or altogether. These applications **MAY** be included with the HOPP Sponsor Application.

One (1) original and one (1) copy of the HOPP Beneficiary Application and **all** items identified on the checklist **must** be submitted for **each** beneficiary for all paper submittals. (SEE BENEFICARY CHECKLIST ATTACHMENT X). **Digital Submittals are ACCEPTABLE either emailed or provided via a USB.**

### **Beneficiary Applications should be submitted to:**

**Attention: GHF Administrator**  
**107 W. Antrim, Drive Greenville, SC 29607**  
**Email: [tammie@together-consulting.com](mailto:tammie@together-consulting.com)**

**For Questions Contact : 864. 235.6331**

### **Certification and Verification of Income:**

Beneficiaries must qualify with gross annual household incomes that do not exceed 80% of area median income household income for Greenville County. HOPP Funds may benefit households up to 100% of AMI, but preference will be given to households at and below 80%. A Sponsor must determine the household income by examining and verifying source documents evidencing annual income (e.g., wage statement, interest statement, and unemployment compensation statement).

### **Computing Annual Income:**

Annual Income is determined by taking the total anticipated income from all sources for the twelve-month period preceding the date of certification of income for every member of the household that is 18-years old and older.

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## **Homeowner Preservation Program Guidelines**

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### **General Guidelines:**

1. Sponsors should have experience and a track record working in Greenville City and County.
2. Sponsors are limited to one (1) HOPP Grant award up to \$25,000. **Funds should be expended within six (6) months of award, special circumstances will be considered.**
3. **GHF will allow additional HOPP requests when the Sponsor has expended at least 75% of its previous award.** The completion deadline date will be specified in the Funding Agreement and will be determined in conjunction with the information provided in the application.

4. Eligible beneficiaries must meet GHF eligibility guidelines. GHF HOPP funding should primarily serve  
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households earning **80% and below the area median income**. Beneficiaries must own and reside in their property being rehabilitated for a minimum of two (2) years before being eligible for funding.

5. **Sponsors** must check the property liens of all potential beneficiaries to ensure that there is not an existing GHF lien.
6. HOPP Grant awards may be terminated at any time prior to the award expiration date due to documented evidence of unsatisfactory productivity. If projects are in process, GHF, Sponsor and Beneficiary will determine best route for securing the property or project completion.
7. GHF Sponsors are required to submit a GHF HOPP report (or provide a duplicate existing report provided to other funders or programs) once all projects are completed.

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## Application Process

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1. The Sponsor submits a HOPP Grant Application in accordance with the schedule posted on the GHF website.
2. Sponsors are limited to one (1) open HOPP Grant at any one time. A Sponsor may apply for additional funding once 75% of previous award has been expended.
3. The GHF Investment and Funding committee will review the application. If the application is complete and meets the general guidelines and eligibility requirements of the program, then the Sponsor's previous performance is reviewed.
4. If the GHF's records indicate the Sponsor's previous performance shows incidences involving substantiated Contractor and/or homeowner complaints, the Sponsor missing scheduled inspections and/or project completion deadlines, or unreasonable Contractor change orders, etc., the HOPP Grant application will be denied for funding and sent back to the Sponsor.
5. If the Sponsor's previous performance is acceptable and sufficient GHF funding is available, the application will be submitted to the Board for approval.
6. If approved by the Board, funds will be reserved for the Sponsor and a Funding Agreement will be provided to the Sponsor for execution.
7. **Once the executed HOPP Grant Funding Agreement is returned to GHF**, the Sponsor can submit an Owner-Occupied Rehabilitation Beneficiary Application(s) to the GHF's Management staff. These applications can be submitted one at a time or altogether. GHF will also accept Beneficiary Application in tandem with the Sponsor Application but is not guaranteed funding approval until Sponsor Application approved. **Approvals will be announced within 30 days from receipt.**
8. The following documentation is required to satisfy the **BENEFICIARY Application** process:

Information Required	Description	Completed
Beneficiary Application	GHF Beneficiary Application can be found @ <a href="http://www.greenvillehousingefund.com">www.greenvillehousingefund.com</a> . GHF will accept partner applications as long as required information is satisfied.	
Income Verification	Proof of Income to determine priority need for the program.	
Proof of Homeowner's Insurance	Either current insurance policy or guarantee that home will be insured by the time repairs are completed.	
Property Tax Status	Proof of property taxes paid to date.	

Verification of Deed	Proof that homeowner identification matches current name on deed of home.	
Photos of Home	Documented photos of front and side of home as well as photos of issues to be addressed.	
Work Write-Up	Description of property, family and the full extent of repairs needed to be made.	
Cost Estimate of Repairs	Estimate of total cost of repairs to be made with GHF monies.	

**GHF will accept similar (above referenced) documentation that is provided to other owner occupied funding agencies such as City of Greenville, Greenville County Redevelopment Authority or SC State Housing Trust Fund.**

9. Staff reviews an application. If the application is complete and meets all the general guidelines and eligibility requirements of the program, GHF will review and approve the Sponsor to proceed.
10. Upon approval of a Work Write-up by GHF, the Sponsor may proceed to select a contractor (if one is required). All REVISIONS TO THE WORK WRITE-UP should be submitted to GHF.
11. A GHF Restrictive Covenant (A Real Property Agreement) will be required to be signed by each Beneficiary prior to project start. GHF will also require a copy of the Beneficiary Agreement between the Homeowners and the Sponsor as well as a copy of the Repair Contract between the Sponsor and the Contractor (if a contractor will be procured). **A Sponsor would provide a copy of their own agreements if available.**
12. It is the Sponsor's responsibility to explain to the homeowner the terms of the Restrictive Covenant; i.e. if the property is sold before the 5-year affordability period expires; the homeowner is responsible for paying back the remaining balance. The homeowner must execute the Covenant as well as initial every page and the Sponsor will provide the document to GHF. **GHF will record at the Register of Deeds/Clerk of Court's Office in the county in which the property is located.**
13. When work is complete, the Sponsor should provide the following:
  - a. Documentation indicating the project is complete.
  - b. Provide a copy of Approved final inspection from local building department. (if required by local government entity)
  - c. Pictures of before and after repairs.
  - d. Certification of Work Completed
  - e. Draw Request for Costs
  - f. Draw Request for Payment of Administrative Fee

**Work Write-Up:**

**NOTE: GHF will accept other Work Write forms (such as one used for City or State programs) or one created by the Sponsors.**

Sponsors are required to submit itemized Work Write-ups for the rehabilitation of each property, share copies of building permits, as well as return recorded Restrictive Covenants and contractor agreements if applicable.



**Allowable Costs:**

**Project hard costs** – include but not limited to the items listed on page 3

**Related soft costs** - These costs are the *reasonable and necessary costs* related to the development hard costs to include but not limited to architectural, engineering, permits and administrative fees.

Copied of Receipts and/or paid invoices must be made available for Reimbursement request. If the Sponsor requires pre-funding for the project a formal request should be made to the GHF Administrator. Once a project is closed out, sponsors may not submit invoices/receipts afterwards for payment.

Completed payment requests will be paid to the Sponsor within 30 days of receipt. Payments requests with supporting documentation should be submitted to the GHF Administrator.

**List of Sponsor Requirements Checklist**

<b><u>Document Required</u></b>	<b><u>Description</u></b>	<b><u>Completed</u></b>
Sponsor Application	Application which can be found @ <a href="http://www.greenvillehousingfund.com">www.greenvillehousingfund.com</a>	
Community Support Letters	At least one Letters of Support from Community Organizations should be attached to the application	
Organization Information	<ol style="list-style-type: none"> <li>1. Certificate, Charter OR Articles of Incorporation</li> <li>2. Bylaws</li> <li>3. Service Area Map</li> <li>4. Board Information</li> <li>5. Organizational Chart</li> </ol>	<ol style="list-style-type: none"> <li>1.____</li> <li>2.____</li> <li>3.____</li> <li>4.____</li> <li>5.____</li> </ol>
Proof of Housing Experience	Documentation of Organization involvement with at least one(1) full year of Housing experience	
Lead Staff Information	<ol style="list-style-type: none"> <li>1. Proof of at least one(1) full time employee</li> <li>2. Resume (or experience) of staff person to lead HOPP</li> </ol>	<ol style="list-style-type: none"> <li>1.____</li> <li>2.____</li> </ol>
Financial Status	<ol style="list-style-type: none"> <li>1. Current IRS Status</li> <li>2. Status of Good Standing from SC Secretary of State</li> <li>3. Financial Statements</li> <li>4. Tax Returns OR Most recent IRS Form 990 or Audit</li> </ol>	<ol style="list-style-type: none"> <li>1.____</li> <li>2.____</li> <li>3.____</li> <li>4.____</li> </ol>

**\*Applicants may submit duplicate information provided to other funders for similar programs.**

**Submitting Funding Applications:**

Applications for HOPP Funding are accepted on an ongoing basis as funds are available.

Applications may be delivered by email or by hand delivery as follows:

[tammie@together-consulting.com](mailto:tammie@together-consulting.com)

**107 W. Antrium**

**Greenville, SC 29607**

Applications may be obtained at [www.greenvillehousingfund.com](http://www.greenvillehousingfund.com):

Sponsors must submit one (1) original application and one (1) copy in paper format. Electronic versions will be acceptable.

**Forms:**

All necessary application and program forms can be downloaded from our website at [www.greenvillehousingfund.com](http://www.greenvillehousingfund.com)

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## Reimbursement

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All reimbursement requests for GHF Funding must be submitted on the GHF Reimbursement form. Interim draws **may be** permitted under the HOPP activity; although GHF prefers to pay all Sponsor reimbursements requests for once the project is complete.

The following items must be submitted to the GHF with a construction cost payment request:

1. Draw Request for Payment (unless already submitted);
  - i. Name & Address
  - ii. Income Verification (<80% AMI)
  - iii. Verification of Homeowner's Insurance (or that insurance can be obtained after repairs)
  - iv. Verification of property taxes up to date
  - v. Verification of matching Name on Deed and Homeowner Identification
  - vi. Before Photos and After Photos of repairs
  - vii. Work write-up (brief summary of family served, the need, and work completed)
  - viii. Receipts (purchases and returns)
  - ix. Invoice for reimbursement (including 15% overhead, incidentals)
2. Certification (proof) of Payment;
3. Provide proof of payment to vendors/contractors by providing copy of cashed/cancelled check given to the Contractor by the Sponsor, reflecting full payment for all construction/and or material costs.

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## Rehabilitation Construction Guidelines

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Sponsors are strongly encouraged to ensure applications submitted are cost reasonable to prevent such adjustments or a rejection of an application. A Work Write up with reasonable cost will be required for each property. Detailed, itemized information must be submitted and should include costs identified separately by line item.

### **Contractor Standards:**

Contractors hired must be and/or have:

1. Licensed by the SC Dept. of Labor, Licensing and Regulation;
2. A licensed:
  - a. Residential Builder; or
  - b. General Contractor with a classification of Building (BD, LB, UB);
3. An effective \$1 million General Liability insurance policy **AND**
4. A Worker's Compensation policy.

Subcontractors hired by the Residential Builder or the General Contractor must be listed on the Work Write Up and be and/or have:

1. Licensed by the SC Dept. of Labor Licensing and Regulation and/or DHEC;
2. Appropriately licensed for the trade;
3. An effective \$1 million General Liability insurance policy: **AND**
4. A Worker's Compensation policy

All licenses, bonds, and policy(s) must be current and not expire before the project is completed.

All Contractors and Subcontractors performing work on GHF projects must meet items #1 through #4 above.

If the GHF discovers any person working on a GHF project is unlicensed, uninsured, or not listed as a Subcontractor (when contractors are used), the Authority reserves the right to suspend or debar the Contractor, Subcontractor, etc. from any other work on GHF projects. In addition, any Sponsor who attempts to circumvent, falsify, manufacture, or otherwise attempts to avoid these requirements may be suspended or debarred.

The GHF reserves the right to limit or deny the type of work to be performed by a Contractor and/or Subcontractor. For example, although a Contractor and/or Subcontractor may be able to perform multiple services for a project, the GHF may approve all, some, or none of the services by the Contractor and/or Subcontractor.

**It is not necessary to bring the entire home up to current code, but any repairs undertaken must meet current code.**

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## **Compliance Period**

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The Homeowner Preservation Funding program is designed to preserve and increase the supply of permanent affordable housing. **The compliance period is five (5) years.** For HOPP projects, a Restrictive Covenant is utilized to enforce the compliance period by restricting the occupancy of the owner-occupied home to very low or lower income households. The Restrictive Covenant will set forth the total amount of GHF funds to be utilized to rehabilitate the home, including any administrative fee.