



**ILLINOIS HOUSING
DEVELOPMENT AUTHORITY**
www.ihda.org

Trust Fund Home Accessibility Program (HAP)
and Single-Family Rehabilitation Program (SFR)
with Roof Only Option (SFR-R) and Disaster Contingency Award (DCA)

Best Practices Webinar

November 5th, 2020

Introduction to the IHDA Community Affairs Team



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SFR Round 3: TFSFR3INFO@IHDA.ORG

Presentation Objectives

- ❖ Eligibility Requirements
- ❖ Construction Guidelines
- ❖ Contractor Documents
- ❖ Managing Homeowner Expectations
- ❖ Reporting Requirements
- ❖ Final Reminders
- ❖ Feedback and Questions



Staying Current

❖ Review IHDA Website:

- Use program forms from appendices
- Link: <https://www.ihda.org/my-community/revitalization-programs/>
- Program Manual
- Funding Agreement
- Owner Agreement
- Construction Contract
- Previous program Welcome Webinar slides

Staying Current

❖ Welcome Webinar Links:

- [HAP Round 2 Slides](#)
- [SFR Round 2 Slides](#)
- [SFR Round 3 Slides](#)

Section 1: Eligibility Requirements



Eligibility – Insurance Requirements

Property Insurance

- ❖ As IHDA will have a financial interest in the property, property insurance coverage must be extended to reflect “Illinois Housing Development Authority” as “Additional Insured”.
- ❖ Homeowners Insurance must reflect the following:

Additional Insured: Illinois Housing Development Authority
Address: 111 E. Wacker Dr., Suite 1000
Chicago, IL 60601

Eligibility – Insurance Requirements

Why IHDA must be listed as Additional Insured

- ❖ Additional Insured requires insurance companies to send IHDA prior notice of claims, cancellation, terminations, etc.
- ❖ Any proceeds to be paid under the insurance policy should be made payable to both the insured and IHDA jointly.
- ❖ The coverage is extended to the additional insured because IHDA has a financial interest in the property – the forgivable loan

Eligibility – Insurance Requirements

Communicating the Importance of the Insurance Requirement

- ❖ Homeowner must contact their insurance company to add IHDA as Additional Insured.
- ❖ Discuss with the homeowner:
 - For program participation, homeowner may need to change insurance companies if insurance company will not designate IHDA as Additional Insured
 - Importance of comparison pricing for lower insurance premiums

Section 2: Construction Guidelines



Construction Guidelines – Lead Testing

- ❖ Must follow the Illinois Department of Public Health guidelines
- ❖ Risk Assessments
 - Must be completed within a year from construction start date
 - All pre-1978 buildings must be tested for lead and receive a risk assessment
 - XRF machine testing or paint samples testing is required
 - SFR projects and interior HAP projects, the whole home must be tested.
 - SFR Roof Only projects (Roof, Soffit, Fascia, etc.) and exterior HAP projects, only rehab areas need to be tested

Construction Guidelines – Lead Testing

- ❖ LBP contractor payment requests must be reasonable
- ❖ If a project tests positive for lead, must pass clearance
- ❖ If clearance report fails, contractor must pay cost for second clearance test. IHDA will not reimburse a second clearance test.
- ❖ IHDA may request lead inspection reports at any time
- ❖ IHDA may request RFPs/bids for contractors at any time

Construction Guidelines

Additional Guidelines:

- ❖ Water and Sewer Services
 - Should be from the municipality, if available
 - If existing system is well/septic, no change is required
 - Septic system repairs or replacement is allowable
- ❖ Detached Garages
 - Detached garages may be addressed only if they are close enough to the home to present an immediate health and safety issue.
 - Homeowner is responsible for addressing insurance and code requirements regarding freestanding garages on the property.

Construction Guidelines

Additional Guidelines:

- ❖ Replacement of inoperable major appliances is allowable
 - Ex: Dishwasher, Dryer, AC Unit
- ❖ SFR Roof Only Projects
 - The cost of using a tarp to prevent roof from deterioration, is allowable
 - Please submit this cost as a soft cost
 - Chimney rehab can be addressed via SFR-R

Section 3: Contractor Documents



Contractor Documents

Sworn Statement

- ❖ Must include company name and address of general contractor and all subcontractors
- ❖ Include name of general contractor as affiant
- ❖ All areas of form must be completed
- ❖ Balance to complete only if submitting a partial payout request

Contractor Documents

Lien Waivers

- ❖ Needed for each subcontractor's completed work
- ❖ Balance to complete only if submitting partial payout
- ❖ All areas of form must be completed
- ❖ Include name of the authorized signatory for all lien waivers:

CONTRACTOR'S AFFIDAVIT	
STATE OF ILLINOIS COUNTY OF _____	
TO WHOM IT MAY CONCERN:	
THE undersigned, being duly sworn, deposes and says that he is _____	
_____ of the _____	

Section 4: Managing Homeowner Expectations



Managing Homeowner Expectations

Program Manual Guidance

- ❖ Please defer to Section 6 of the program manual for guidance with managing homeowner expectations related to the rehabilitation of the home:

In homeowner rehabilitation programs, a critical aspect is knowing how to best manage the expectations of the homeowner. The homeowner must be aware that SFR is not a complete remodel of their home and that the program cannot necessarily address all of their concerns. Priority will be given to rehabilitation items addressing health and safety hazards and local code violations.

While the program was designed to accommodate the needs of the homeowner, this does not mean that you or your contractors need to tolerate abusive, combative or argumentative behavior, or that you give into demands that go beyond the agreed upon scope of work and the overall program. See below for best practices on how to curb this type of behavior.



Managing Homeowner Expectations

Program Manual Guidance (Continued)

Best Practices

1. Thoroughly explain the entire application and rehabilitation process.
2. Utilize a Homeowner's Expectation Form, and customize it, if necessary. Have the homeowner sign it. See [Appendix C](#) for a sample.
3. Make sure all color/material choices are documented at the pre-construction conference.
4. Document the pre-construction conference and have all parties sign.
5. Review the scope of work in detail.
6. Establish a protocol for resolving disputes between the homeowner and contractor.

Managing Homeowner Expectations

Program Manual Guidance (Continued)

7. If necessary, establish timeframes and benchmarks to keep your projects moving ahead.
8. Encourage the homeowner to ask you questions and not interrupt the contractor's work.
9. Make sure that the homeowner understands that all contractor disputes, if any, are resolved at the discretion of the grantee.
10. Review in detail the Special Notice, so the homeowner is clear on their actual loan amount versus the "up to" language in the mortgage/promissory note. Remind the homeowner that the final loan amount is included in the Project Completion Certificate.
11. A Power of Attorney (POA) may be used if a co-borrower is unable to sign off on program forms due to extenuating circumstances (incapacitation, military service, etc.). The attorney-in-fact must have specific authority to encumber the property.



Managing Homeowner Expectations – Owner Agreement

Owner Responsibilities

The Owner Shall:

- ❖ Not interfere with project
- ❖ Not assume role of inspector and shall report all complaints or problems to contractor and sponsor
- ❖ Notify sponsor and contractor in writing of all breaches of contract
- ❖ Notify contractor of items owner wishes to salvage for personal use and owner shall store or dispose of those items



Managing Homeowner Expectations – Owner Agreement

Cooperation

- ❖ Owner shall cooperate at all times with sponsor and contractors and will do all acts necessary to facilitate project.
- ❖ Agreement violations shall be deemed an “Event of Default”.
 - Sponsor or IHDA may give written notice of an Event of Default to the owner, as provided in **Paragraph 11 in the Owner Agreement.**



Section 5: Reporting Requirements



Quarterly Report Deadlines

Quarterly Reports Timeline:

- ❖ Defer to “Quarterly Report Timeline” for guidance on deadlines (Document located in “Appendix G”)

Deadline for Next Quarterly Report:

- ❖ HAP Round 2: November 15th, 2020 (Quarter 5)
- ❖ SFR Round 2: November 15th, 2020 (Quarter 6)
- ❖ SFR Round 3: November 15th, 2020 (Quarter 1)

Section 6: Final Reminders



Final Reminders

Loan Reservations

- ❖ Reserve loans in MITAS when you have a qualified applicant
- ❖ Property value must be entered for all applicants
 - Listed as “Purchase Price” field in MITAS on “Loan Information” screen
 - Retrieve property value from local county assessor’s office

Final Reminders

Loan Reservations

- ❖ Reservations may be cancelled, if necessary
 - If you cancel a loan, please let us know immediately and share reason loan was cancelled.
- ❖ SFR Round 3 grantees
 - If you were awarded DCA funds, reserve projects within the DCA category first before reserving projects under regular SFR.

Final Reminders

Project Delivery Worksheet

- ❖ Should reflect actual hours and actual wages.
- ❖ IHDA will review for consistency.

PDF Forms

- ❖ Use fillable forms, do not handwrite information.

IHDA

- ❖ The acronym for Illinois Housing Development Authority is “IHDA,” not “IDHA.”
- ❖ Spell out “Illinois Housing Development Authority” on the property insurance.

Final Reminders

Additional Information

- ❖ If there is a staff change in your organization related to IHDA projects, please email us and we will send a Jotform link for you to complete
- ❖ You can locate a housing counselor to assist in working with borrowers in difficult situations (Ex: Ownership issues).
 - Use the “Find A Housing Counselor” link on the IHDA website to locate an agency near you
 - Link:
 - <https://www.ihda.org/my-home/getting-an-ihda-loan/#findCounselor>

Final Reminders

Impact Statement Guidance

- ❖ Share stories for SFR and HAP projects
- ❖ Take a picture of the homeowner in the area of improvement, if homeowner agrees
 - Ex.: standing on a newly renovated porch, or on/near a newly installed ramp, or in front of the newly renovated home.

Final Reminders

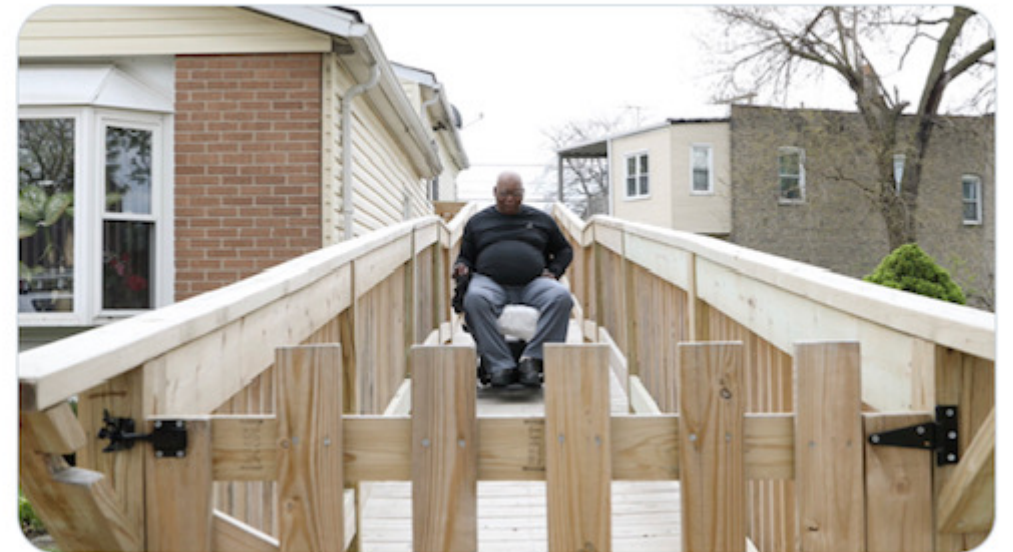
Impact Statement Guidance

- ❖ Thank you for taking the time to share these stories!
- ❖ We rely on grantees to help share success stories to help spread the word about HAP and SFR



Illinois Housing @ILHousing · 1d
Our Housing #Accessibility Program funds to local gov & NGO's to help people stay in their #homes & prevent unnecessary institutionalization of the #elderly and people w/ #disabilities. More at: tinyurl.com/y8ov4nht

#housing #services #assistance #ramps
#renovation #funding



Final Reminders – Marketing the Impact

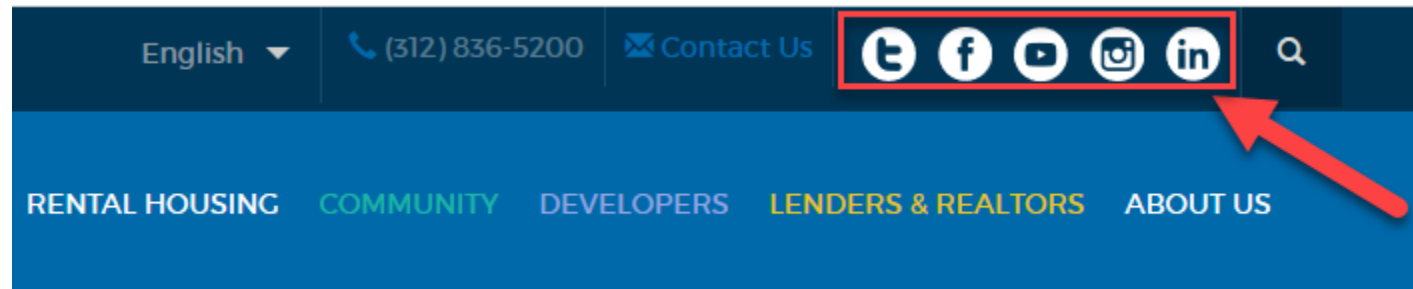
- ❖ IHDA shares important stories through our various social media accounts. We encourage you to re-share any stories as you see fit on your agency's social media account(s).

- ❖ See below for links to each account referenced
 - Twitter: <https://twitter.com/ILHousing>
 - Facebook: <https://www.facebook.com/IllinoisHousingDevelopmentAuthority>
 - YouTube: <https://www.youtube.com/user/IHDAILLINOIS>
 - LinkedIn: <https://www.linkedin.com/company/illinois-housing-development-authority/>
 - Instagram: <https://www.instagram.com/ilhousing/>

Final Reminders – Marketing the Impact

❖ Links to the IHDA social media pages can be found on the top right portion of the main IHDA page:

- <https://www.ihda.org/my-community/revitalization-programs/>



❖ You can also access these posts by clicking on the relevant social media icon in the signature section of IHDA emails.

- Signature Example:



Final Reminders – Marketing the Impact

- ❖ Be sure to tag IHDA (which will send us an alert) in posts by linking to IHDA's various handles. For example:
 - For Facebook, include “@IllinoisHousingDevelopmentAuthority” in your post and click IHDA's name
 - For Twitter, include @ilhousing in your tweet
 - For Instagram, include @[ilhousing](#) in your post
 - For LinkedIn, type @[illinois-housing-development-authority](#) and click on IHDA's name

Section 7: Feedback and Questions



Grantee Feedback and Questions

- ❖ What issues/roadblocks are you encountering?
- ❖ Any suggestions you would like to share with other grantees?
- ❖ Is there a success story you would like to share?



Thank you for attending!