PROPOSAL SUMMARY

APPLICANT: City of Rockville

PROJECT: Single Family Rehabilitation

AMOUNT: $133,000 Recommended

TYPE: Single Family Rehabilitation Program

PROJECT DESCRIPTION: The Department of Community planning & Development Services operates The Single Family Rehabilitation Program which helps low/moderate income families to maintain their homes.. For households having the lowest incomes (less than $53,150 per year for a family of 5) the program provides forgiveness loans of up to $25,000 for rehabilitation activities. In doing so, the program concentrates first upon critical code deficiencies followed by incipient code deficiencies and then general improvements. A five-year lien is imposed upon participating properties to preclude speculative activities. The lien is forgiven at a rate of 20% per year. Should a property be sold or refinanced within the five-year period, the unforgiven balance must be returned to the city prior to a release of liens being issued. The paid off balance is then placed in the rehabilitation program balance for the subsequent year.

For households with slightly higher incomes (less than $55,351-$59,775 per year for a family of five) the program provides for a 32% contributions to the cost of rehabilitation work up to $25,000 of cost. As with the previous program, a lien is forgiven over a five-year period. For households with incomes under $66,400 for a family of five, the program will make a 25% contribution to the cost of rehabilitation work not to exceed $25,000.

Activities to correct drainage problems in the yards of eligible households in Lincoln Park are administered are an identical manner. Also eligible is the removal of a tree certified as requiring removal by the City Forester provided that the homeowner is unable to pay for the tree removal and is eligible for Rehabilitation Assistance.