

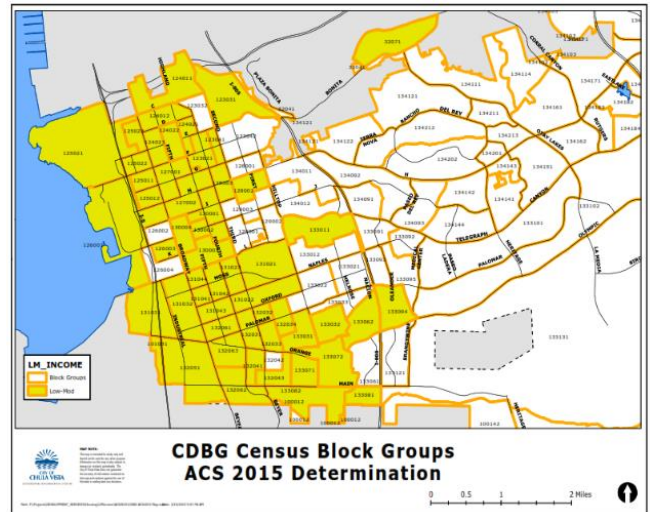
Green Homes for All Western Homeowner Rehabilitation Loans

Program Guidelines

The City of Chula Vista’s Housing Division provides home improvement low interest deferred loans of up to \$24,999 to income qualified single-family homeowners (detached homes only) in qualifying census tracts in Western Chula Vista for health and safety related repairs and energy improvements.

In order to receive funds ALL of the following conditions must be met:

1. **Applicant AND/OR property may not have received a previous grant or loan from the City of Chula Vista.**
2. **The property must be a single-family home priority is given to homes located in a qualifying LMA census tract, see map, in the City of Chula Vista.**
3. **All applicants must have owned and lived in the property for at least one year** and cannot have ownership interest in other real property that exceeds 1/12th interest.
4. **Eligible property improvements must be necessary improvements to address health and safety related issues or improve energy efficiency.** Repairs may include, but are not limited to, roofing, windows, plumbing electrical, ADA and energy conservation improvements. Priority will be given to critical improvements and must be made in the order selected by City Staff and will be coordinated with other available programs and funds.
5. **Applicants must meet income qualifications.** Income documentation for each household member who is over the age of 18 is required. Income includes all sources such as government benefits (social security, SSI) unemployment benefits, pensions, wages, salary, tips, commissions, interest, child support, alimony, and business income.
6. Primary applicants must have a **minimum FICO score of 620.**
7. **Properties must have adequate equity** (maximum of 85% LTV prior to funding).
8. **Maximum liquid assets may not exceed \$25,000** (not including retirement accounts i.e. IRA’s, 401(k), etc.).
9. **Any property over 45 years old** will require an environmental clearance prior to the commencement of work.



Loan Terms

Approval for a loan depends on total family income, the amount equity in the property, existing debt, and credit history of the applicant(s). Loans require no payments until sale, transfer or rental. You will be required to sign a Deed of Trust, Promissory Note and other documents securing the loan.

Maximum Annual Income & Eligible Interest Rate	Household					
	1	2	3	4	5	6
50% or less of AMI – 0% Interest	\$42,450	\$48,500	\$54,550	\$60,600	\$65,450	\$70,300
51% to 80% of AMI – 3% Interest	\$67,900	\$77,600	\$87,300	\$97,000	\$104,800	\$112,550

*Effective June 1, 2021



Application Guidelines & CHECKLIST

COPIES of the following documents **MUST** be submitted with your application. **DO NOT SEND ORIGINALS** because they **will not be returned to you**. We will not be able to process your application without the following documents:

- Completed Application
- Income statements and verification for the last 2 months or the most recent statement period for ALL income received. (Examples include social security statements, retirement checks, and employment check stubs).
- Federal Tax Returns and W-2 forms for previous 2 years (all pages)
- Bank Statements for 2 most recent months (all pages)
- Copy of Certificate of Title AND Registration
- Social security numbers for all persons on the title
- Evidence of Homeowner's Insurance for property (if applicable)
- Most recent Mortgage Statement AND Property Tax Bill (if applicable)

Application Processing

Once staff has received a complete application packet, City of Chula Vista Code Enforcement staff will contact you to schedule an initial inspection. The inspector will review your list of requested repairs and determine a priority for all health and safety related repairs.

Based on the inspection you will be required to obtain **THREE** bid estimates for **EACH** item of work being requested. A letter will be mailed to you stating the items to be repaired after your inspection. Contractors **MUST** be licensed and will be required to submit a copy of their Contractor's License and City of Chula Vista Business License. In addition, Contractor's must also meet the City's insurance requirements, which include proof of General Liability for \$1 million dollars and designating the City of Chula Vista on the liability as an additional insured endorsement. Proof of Worker's Compensation insurance is also required if applicable.

Please note that it is the **Homeowner's responsibility** to have a contract with the contractor and to assume responsibility for the work to be performed. If the work is not performed to the satisfaction of the applicant, it is the Homeowner's responsibility to resolve any dispute that may occur between the Homeowner and the contractor. The CHIP program strives to implement a program that provides measures for accountability by both the Homeowner and the licensed contractor but is not responsible for the contract that is entered into by both parties. **The City will not get involved in applicant and contractor disputes.**

In order to provide expedient review of your application please submit a complete application packet. The processing time varies depending upon how accurate and complete the application is and upon the number of applicants, time of year, and fund availability. You will be placed on a waiting list if there are numerous applicants and a priority ranking will be applied.

Approval

After the inspection has been completed and all bids have been turned in, staff will review your application and make a FINAL DETERMINATION on eligibility and the repairs to be completed under the Program. You will be notified in writing of the decision.

Please note that no work should be started prior to receiving an official Notice to Proceed and no payments will be made to contractors prior to a final inspection and fully executed Request for Payment being submitted.

This letter is meant to provide general information regarding the CHIP loan rehabilitation program and is subject to change without notice. If you would like additional information, please call the Housing hotline at (619) 585-5600 and select Option 3.

