

Homeowner's Handbook
City of Northampton
Housing Rehabilitation Program
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Program Administrator
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Introduction

Welcome to the City of Northampton's Housing Rehabilitation Program. The City provides a limited number of deferred payment loans (DPL) to owner-occupied single-family homes, duplexes, and condominium units to assist with necessary repairs, correction of code violations, and improvements. Your eligibility for assistance is determined by:

- Verification of low- to moderate-income status.
- Compliance of your home repair needs with federal regulations and policies.
- Your acceptance of the terms and conditions associated with the deferred payment loan, including adherence to all applicable federal, state, and local regulations.

This handbook outlines the policies, procedures, and responsibilities of all parties involved in the rehabilitation project.

For assistance or questions, please contact:

Monique Gagnon, CAPV Home Repairs Coordinator

Phone: 413-376-1163

Is this a loan or grant?

A Deferred Payment Loan (DPL) is a no-interest, time-forgiven loan secured as a lien on your home. Key terms include:

- **No payments required** unless the property is sold or transferred during the loan term.
- **Loan balance decreases annually**, reaching zero at the end of the 15-year period if all program conditions are met.
- **Maximum loan amount:** Up to \$60,000.
- **Loan discharge:** The City files a loan discharge with the Hampshire County Registry of Deeds upon completion of the loan term.
- **Repayment required** if the property is sold, transferred, or if program conditions are violated.

The City secures the loan through the United States Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) program.

Additional Statutory and Legal Requirements:

- Homeowners insurance is required for the loan duration (15 years).
- If the property is in a 100-year floodplain, flood insurance is mandatory.

- Any falsification of income information will result in a permanent lien on the property.
 - In rare cases, a loan waiver may be sought if extraordinary circumstances exist, but amounts exceeding the standard loan limit will be permanently secured by a lien and must be repaid upon property transfer.
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What is the rehabilitation process? What are my responsibilities?

Inspections

Your property will be inspected by the following professionals:

- **Home Repairs Coordinator:** Evaluates code violations and general property conditions.
- **Lead Paint Inspector:** Determines the presence of lead paint.
- **Septic Designer:** Assesses existing septic systems (if applicable).
- **Historic Preservation Planner:** Reviews historically significant homes for compliance with preservation standards.

Your Responsibilities:

- Assist home repair coordinator and/or inspector in identifying necessary repairs.
- Review, sign, and date all inspection reports.
- Approve work specifications before loan closing.

Hiring the Contractor

Contractors are selected through a competitive bidding process managed by CAPV.

Construction

- CAPV ensures work is completed per specifications.
- A 10% retainage is held until 30 days after project completion.

Final Inspection:

- The Home Repairs Coordinator confirms all work is completed and compliant.
- Homeowners sign a Statement of Completion.
- The contractor provides all applicable warranties.

Utilities & Permits

- Homeowners must provide utilities (water, power, etc.) during construction.

- Contractors must obtain permits. Final payments are contingent on securing all required approvals.

Preparing for Construction

- Secure personal items and provide access for workers.
- Stay out of work areas, especially children.
- Address concerns with the contractor or CAPV promptly.

Can I perform any work myself?

No. Any unauthorized work may void program participation and create liability issues.

Temporary Relocation

If construction includes lead paint or asbestos removal, homeowners may need to relocate. Limited relocation assistance may be available under financial hardship.

- **Tenant Relocation:** If the home has rental units, tenants must receive relocation assistance per the Uniform Relocation Assistance and Real Property Acquisition Act (URA).

Changes to Scope of Work & Budget Constraints

- If additional work is required beyond the approved scope, it must be formally approved before proceeding.
- If costs exceed the budget, homeowners may need to seek additional funding or modify the project scope.

Warranties

- Contractors must provide warranties for workmanship and materials.
- Any defects in materials or labor should be reported immediately to CAPV.

Emergencies Before Loan Approval

- If an emergency repair is needed before loan approval, homeowners must notify CAPV for guidance. Unauthorized repairs may disqualify the property from the program.

Appendix: City of Northampton CDBG Housing Rehabilitation Program Grievance Policy

What to Do If You Have Questions or Concerns

1. **Talk to Your Contractor First**
 - If you have questions or concerns about the work being done, speak directly with the contractor.
 - You have a contract with the contractor, so it is important to communicate openly.
 2. **Contact the Home Repairs Coordinator**
 - If the contractor does not resolve your concern, contact the Home Repairs Coordinator overseeing the work.
 3. **Reach Out to CAPV**
 - If your concern remains unresolved after speaking with the contractor and Home Repairs Coordinator, you may contact Community Action Pioneer Valley (CAPV) at 413-774-2318 to discuss your issue.
 4. **Formal Grievances**
 - If the issue is still not resolved after following the steps above, proceed to the formal Grievance Procedure outlined below.
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Grievance Procedure

Level I: Submit a Written Complaint to CAPV

- A homeowner must submit a written complaint or grievance within 60 days after the final inspection.
- Send the complaint to the Grants and Business Manager at CAPV.
- The Grants and Business Manager will:
 - Review the complaint with program staff.
 - Examine any relevant paperwork or documents.
 - Issue a written decision within 30 days of receiving the complaint.
- If dissatisfied with the decision, the homeowner may appeal to the City of Northampton Office of Planning & Sustainability.

Level II: Appeal to the City of Northampton

- Submit a written complaint to the Community Development Planner at the Office of Planning & Sustainability.
- The homeowner and the CAPV Grants and Business Manager must provide any necessary documents for review.
- The Community Development Planner will:
 - Review the case with the CAPV Program Manager or other staff as needed.
 - Make a decision and notify the homeowner in writing within 30 days.

- If dissatisfied with the decision, the homeowner may appeal to the Mayor's Office.

Level III: Appeal to the Mayor

- Submit a written grievance to the Mayor.
- The homeowner and the Community Development Planner must provide relevant documents for review.
- The Mayor will:
 - Review the complaint with the Community Development Planner and CAPV staff.
 - Make a final decision and issue a written response within 60 days.
- The Mayor's decision is final.