



# HOUSING REHABILITATION PROGRAM



## Program Guidelines

*Revised August 2009; Updated January 2012*



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## **INTRODUCTION**

The City of Pleasanton has offered financial and technical assistance to lower income households through its Housing Rehabilitation Program since 1993. The program goals are to maintain safe homes and attractive neighborhoods, to preserve affordable housing, to improve the quality of Pleasanton's housing stock, and to ensure compliance with City building and zoning codes. Several levels of assistance are available to eligible owner-occupants of single-family, duplexes and mobile homes.

Rehabilitation efforts are part of the City's affordable housing strategy, and the assistance provided by the program is in concert with the General Plan's Housing Element policies and the Consolidated Plan.

## **PROGRAM SUMMARY**

### **Types of Assistance**

Two kinds of assistance are available: loans or grants. Grants vary in amount and availability according to the type of work to be done and the income of the homeowner.

Loans of up to \$35,000 are also available. Loans may either be amortized (requiring a monthly payment) or deferred (no monthly payment). The current terms of all loans are 3% simple annualized interest with a 30-year term.

### **Allocation of Funds**

The City sets the Housing Rehabilitation Program budget and goals. Twenty-five percent (25%) of the annual housing rehabilitation budget is reserved for grants and seventy-five percent (75%) is designated for rehabilitation loans.

### **Eligible Costs**

Program funds shall be used only for the following costs:

1. Cost of rehabilitation of the property.
2. Cost of building permits and other related government fees.
3. Cost of an appraisal, architectural, engineering, and other consultant services that are directly related to the rehabilitation of the property.
4. Non-recurring loan closing costs.

### **Grants**

Grants cannot be combined with rehabilitation loans in this program; however, more than one grant may be applied for at any one time. The combination grant cannot exceed \$5,000.

As shown in Table 1 on the following page, grants are available to very low-income ( $\leq 50\%$  of Area Median Income) and low income ( $80\%$  of area median income) homeowners. The grants are used for emergency repairs and specific projects to prevent neighborhood blight, such as exterior clean up. The grants offered by the City of Pleasanton are summarized in Table 1. If the work needed exceeds the scope or cost of the grant program, the loan program would be used.

**TABLE 1:**

**CITY OF PLEASANTON HOUSING REHABILITATION PROGRAM  
SUMMARY OF GRANTS**

<b>Grant</b>	<b>Description</b>	<b>Maximum Grant per Household</b>	<b>Eligible Income Group (*)</b>	<b>Typical Repairs</b>	<b>Frequency of Use</b>
<b>Minor Home Repair (MHR)</b>	Assistance with repairs to correct immediate threats to the health and safety of homeowners, and for minor repairs. MHR grants may not be awarded more often than every five (5) years unless an exception is granted by the City for emergency health and safety issues. Available to owner-occupants of single-family units.	\$2,000	Low (80% of AMI)	Water heaters, minor plumbing, door locks, smoke detectors, grab bars	No more than once every five (5) years
<b>Mobile Home Repair (MBHR)</b>	Assistance with repairs to correct immediate threats to the health and safety of homeowners, and for minor repairs. MHR grants may not be awarded more often than every five (5) years unless an exception is granted by the City for emergency health and safety issues. Available to owner-occupants of single-family units.	\$5,000	Low (80% of AMI)	Water heaters, minor plumbing, door locks, smoke detectors, grab bars	No more than once every five (5) years
<b>Accessibility Grant</b>	Assistance with accessibility improvements for disabled and elderly persons. Available to owner-occupants of single-family or mobile home / manufactured housing units.	\$5,000	Very Low (50% of AMI)	Installation of wheelchair ramps, showers, accessible grab bars	No more than once during lifetime of property
<b>Exterior Clean-Up</b>	Assistance with yard clean-up and other property clean-up relating to City of Pleasanton zoning and code enforcement regulations. Available to owner-occupants of single-family or mobile home / manufactured units.	\$2,000	Very Low (50% of AMI)	Yard clean-up, removal of debris, old appliances and inoperative vehicles	Maximum one grant of at least \$500 per year; maximum \$2,000 for lifetime of property
<b>Exterior Paint Grant</b>	Assistance with exterior painting of owner-occupied units where paint surfaces are worn or deteriorated. Available to owner-occupants of single-family or mobile home / manufactured housing units.	\$3,000	Very Low (50% of AMI)	Exterior painting and preparation of surfaces for painting pursuant to program standards	No more than once during lifetime of property
<b>Seismic Strengthening</b>	Assistance with improvements to reduce earthquake damage. Improvements must conform to applicable Pleasanton building code requirements. Available to owner-occupants of one-to-four unit homes and to owner occupied mobile home / manufactured housing units.	\$5,000	Low (80% of AMI)	Installation of foundation bolts, strapping, and cripple walls	No more than once during lifetime of property

(\*) See Appendix A for Income Limits

## Loans

All approved loan applicants in this program will receive either an amortized, a deferred, or a "blended" (part amortized, part deferred) loan from the City of Pleasanton. The Program Administrator will work with the homeowner to determine whether the homeowner's housing costs are within the affordability range so as to support the entire proposed monthly loan payment ("amortized"), or part of the calculated monthly loan payment ("blended"). Applicants unable to afford any part of the proposed monthly payment are eligible for a "deferred" loan from the City of Pleasanton. Affordable housing cost is calculated in Appendix C of these guidelines.

### Loan Terms:

*Maximum Loan Amount:* \$35,000  
*Term of Loan:* 30 years  
*Interest Rate:* 3% simple interest / year  
*Maximum Loan-to-Value Ratio:* 80% (after rehabilitation appraised value)

*Repayment:* Loan is due and payable upon sale, transfer/conversion, refinancing, death of the borrower or vacancy of the premises by the owner. The loan shall not be due and payable in the case of a transfer of the property to a surviving spouse of a deceased borrower or a transfer to the former spouse of the borrower due to divorce if they meet the program's income guidelines. The same is true for surviving children of the owner, provided they meet the program's income guidelines, including taking title to and occupying the residence.

Deferred loans carry a thirty (30) year term. There is no early repayment penalty associated with this loan. Deferred loans require no monthly payment; however the City will accept occasional payments on the loan. Payments must first be made on any accrued interest before any payment on principal can be made. There is a nominal processing fee associated with the acceptance of such payments.

Amortized loans carry a thirty (30) year term. Monthly payments are required based upon a pre-calculated amortization table based upon the amount of the loan, the term and the interest rate. Amortization results in the retirement of principal and interest at the end of thirty years.

Blended loans (part-amortized, part deferred) carry a thirty (30) year term. Monthly payments are required only to the extent that they do not exceed the affordable housing cost calculation. See Appendix C for a calculation of affordable housing cost.

Applicants may only receive one loan during the lifetime of the property.

## **GENERAL POLICIES**

### **Territorial Coverage of Program**

Income-qualified homeowner-occupants living within the current jurisdictional boundaries (i.e., city limits) of the City of Pleasanton may apply for assistance under this program.

### **Priority Criteria**

Applications will be processed on a first-come, firstserved basis and may be prioritized based on location within designated target areas and/or targeted population needs identified by the City. Rehabilitation repair items are prioritized as outlined in Appendix D. All health and safety items will be addressed first prior to addressing lesser priority items as determined by the Program Administrator. The maximum loan amount could be used for lesser priorities but only after all health and safety (code) items are repaired. Priorities are listed in Prioritization of Repairs, Appendix C.

### **Use of Program**

Due to the City's desire to rehabilitate as many dwellings as possible, only one loan is allowed per ownership term of a property, with the exception of loans to address additional health and safety issues as granted at the discretion of the City of Pleasanton.

### **General Underwriting Criteria**

The maximum loan to value ratio is 80%. Loan to value ratio means the ratio between the amount of all indebtedness liened, or to be liened against a property and the appraised value of the property securing the liens. The Program Administrator has the authority to approve a loan that does not result in a total loan to value ratio exceeding 80%.

A complete description of the underwriting (eligibility) criteria is included in the Loan Application section of these guidelines.

### **Loan Subordination/Refinancing**

The Pleasanton Housing Rehabilitation Program provides financial assistance for the improvement of properties occupied by very low or low-income homeowners. The City loan must be paid in full if the existing first mortgage is refinanced. Exceptions to this policy may be considered under the following conditions:

1. Refinancing of an existing first mortgage to obtain a lower interest rate will be possible only if the junior City loan is subordinated to no less than second position.

2. The existing City Loan will be subordinated to a refinanced first mortgage for the amount of the outstanding senior loan balance at the time of request plus reasonable financing fees, and no cash out. Exceptions to this policy will be considered by the City of Pleasanton's Community Development Director or his/her designee upon demonstration by the applicant in writing that the refinanced cash out will be applied only to his/her home improvements or for an urgent or emergency purpose.

The subordinated City loan will remain in the same or more senior position than the original City loan. The City will only subordinate to the first mortgage.

### **Revolving Loan Fund**

All funds from loan repayments will be placed in a Revolving Loan Fund to be used for future rehabilitation loans.

## **SPECIFIC GUIDELINES: GRANT PROGRAMS**

### **Minor Home Repair (MHR)**

The Minor Home Repair (MHR) program assists very low-income owner-occupants of single-family homes. The grants provide for essential repairs needed to keep the occupants housed and in compliance with health and safety standards.

#### *Applicant Eligibility*

1. The applicant must reside in and hold title to the property to be assisted. The applicant must fully accommodate and cooperate with the program administrator and contractor in the inspection and completion of the repairs to be eligible for assistance.
2. Depending on the program, the applicant's household income must be at or below 80% of Area Median Income for the household size, as established by the U.S. Department of Housing and Urban Development (HUD). Household income includes the combined gross income of all persons living in the unit age 18 or older.
3. The applicant must qualify for the loan utilizing the underwriting criteria outlined in the Application section of these guidelines.

#### *Eligible Properties*

Single-family properties located in Pleasanton. The property to be repaired shall be in a condition suitable for such work to be performed on it, and there shall be no conditions that pose a hazard to the Housing Rehabilitation Specialist (program administrator) or the contractor. The program administrator will make a determination as to the suitability of the structure for the necessary repairs, and as to any potential hazardous situations. Should the structure require extensive rehabilitation work, the owner will be supplied with information on the appropriate program and offered rehabilitation assistance.

#### *Eligible Work Items*

Repairs consist of corrections to immediate threats to the health and safety of the occupant(s) and the structure (see Appendix C-Rehabilitation Standards Priority A). Repairs may include installation of smoke detectors, life safety and egress improvements, window bar quick release modifications, hot water heaters, or furnace repairs. Repairs of surrounding property or yard areas may be considered if needed to correct immediate threats to the health and safety of the applicant or to comply with the Community Preservation Ordinance.

#### *Financial Assistance*

Financial assistance is provided in the form of \$2,000 maximum grants, in accordance with the program guidelines established by the City. An applicant is eligible to receive only one City grant every five years.

For work in excess of the grant amount, owners will be referred to the Single Family rehabilitation loan program. The maximum combined grant assistance (including special grants) for each property is \$5,000.

### *Review and Approval*

Applications for Minor Home Repair grants are submitted to the Program administrator. The Contractor reviews applications for conformance with program guidelines and Residential Rehabilitation standards.

### **Mobile Home Repair**

The Mobile Home Repair Grant assists very low-income owner-occupants of mobile homes. The grants provide for essential repairs needed to keep the occupant housed and in compliance with health and safety standards.

### *Applicant Eligibility*

1. The applicant must reside in and hold title to the mobile home to be assisted. The applicant must fully accommodate and cooperate with the program administrator and contractor in the inspection and completion of the repairs to be eligible for assistance.
2. The applicant's household income must be at or below 80% of Area Median Income for the household size, as established by HUD. Household income includes the combined gross income of all persons living in the unit age 18 or older.

### *Eligible Mobile Homes*

Owner-occupied mobile homes, including those on permanent foundations. The mobile homes to be repaired shall be in a condition suitable for such work to be performed on it, and there shall be no conditions that pose a hazard to the Housing Rehabilitation Specialist (program administrator) or the contractor. The program administrator will make a determination as to the suitability of the structure for the necessary repairs, and as to any potential hazardous situations.

### *Eligible Work Items*

Repairs consist of corrections to immediate threats to the health and safety of the occupant(s) and the structure (Title 25 Rehab Standards). Repairs may include installation of smoke detectors, life safety and egress improvements, window bar quick release modifications, hot water heaters, furnace repairs, roofing repairs, and exterior painting. Repairs of surrounding property or yard areas may be considered if needed to correct immediate threats to the health and safety of the applicant or to comply with the Community Preservation Ordinance.

### *Financial Assistance*

Financial assistance is provided in the form of a \$5,000 maximum grant, in accordance with the guidelines established by the City. A housing unit is eligible to receive only one City grant every five years, unless an exception is granted by the City concerning emergency health and safety issues.

The maximum combined grant assistance (including special grants) for each mobile home is \$5,000.

### *Review and Approval*

Applications are submitted to the program administrator. The administrator will utilize the program criteria and mobile home standards to determine eligibility for the grant.

### **Accessibility Grant**

The accessibility program offers financial and technical assistance to very low-income homeowners (household income at or below 50% of Area Median Income) who are disabled or elderly. One of the program goals is to assist seniors to age in place.

### *Applicant Eligibility*

1. The applicant shall reside in and hold title to the property or mobile home to be assisted.
2. The applicants' household income must be at or below 80% of the Area Median Income as defined by HUD to be considered eligible for an accessibility grant. Household income includes the combined gross income of all persons living in the residence age 18 or older.
3. Definition of Disability: The homeowners must be able to prove they are disabled as defined by the Fair Housing Act as "a person who:
  - a. Has a physical or mental impairment (including, but not limited to, hearing, mobility, visual impairments, chronic alcoholism, chronic mental illness, AIDS, and AIDS related complex and mental retardation) that substantially limits one or more major life activities;
  - b. Has a record of such an impairment; or
  - c. Is regarded as having such impairment.

Note: "Major life activities" means functions such as caring for oneself, performing manual tasks, walking, hearing, speaking, breathing, learning, and working. The definition of elderly for purposes of these guidelines is 62 years of age and older.

### *Eligible Properties*

Single-family properties and mobile homes located in Pleasanton. The property to be repaired shall be in a condition suitable for such work to be performed on it, and there shall be no conditions that pose a hazard to the program administrator or the contractor. The program administrator will make a determination as to the suitability of the structure for the necessary repairs, and as to any potential hazardous situations. Should the structure require extensive rehabilitation work, the owner will be supplied with information on the appropriate program(s) offered to assist in the rehabilitation.

### *Eligible Work Items*

Accessibility or mobility improvements shall include, but are not limited to, installation of ramps, hand rails, grab bars, raised bowl toilets, lever handle knobs, and accessible sinks and faucets. Assistance may also include widening doorways and conversion of bathtubs to accessible shower units.

### *Financial Assistance*

The maximum accessibility grant is \$5,000. The maximum combined grant assistance (including special grants) for each property or mobile home is \$5,000. A housing unit may receive only one accessibility grant per term of ownership of a property.

### *Review and Approval*

Applications for accessibility grants are submitted to the program administrator. The administrator reviews applications for conformance with guidelines and Residential Rehabilitation Standards. For work in excess of the grant amount, owners will be referred to the rehab program.

### **Exterior Clean-Up Grant**

The purpose of the exterior clean-up grant is to improve the appearance of neighborhoods and to assist very low-income homeowners to comply with the City's Zoning Ordinance and code enforcement requirements. The program assists with exterior yard clean up and also provides an incentive to complete other necessary repairs to the property.

### *Applicant Eligibility*

1. The applicant must reside in and hold title to the property to be assisted.
2. The applicant's household income must be at or below 50% of the Area Median Income as defined by HUD to be considered eligible for a clean-up grant. Household income included the combined gross income of ALL persons living in the residence age 18 or older.

### *Eligible Properties*

Single family properties and mobile homes located in Pleasanton. The property to be repaired shall be in a condition suitable for such work to be performed on it, and there shall be no conditions that pose a hazard to the program administrator or the contractor. The program administrator will make a determination as to the suitability of the structure for the necessary repairs, and as to any potential hazardous situations. Should the structure require extensive rehabilitation work, the owner will be supplied with information on the appropriate program(s) offered to assist in the rehabilitation.

### *Eligible Work*

Eligible work includes: cutting back overgrowth and removing all yard debris, including deteriorated fencing and trees, appliances, and non-operative vehicles in the property; abatement of conditions that pose a health or safety hazard.

### *Financial Assistance*

Owner shall receive no more than one Exterior Clean-up Grant per year for a maximum of five program years. The maximum total amount of Exterior Clean-up Grant assistance is limited to \$2,000. When the Exterior Clean-Up Grant program is used in conjunction with the Paint Grant or other rehabilitation assistance, the combined amount of all rehabilitation grant assistance may not exceed \$5,000.

### *Review and Approval*

Applications for Clean-Up Grants are submitted to the program administrator. The administrator reviews applications for conformance with income guidelines and Housing Rehabilitation Standards.

### **Exterior Paint**

The goal of the exterior paint grant is to improve the appearance and quality of neighborhoods throughout the city. The paint grant provides assistance for exterior painting to very low-income homeowners and is an incentive to completing other improvements that contribute to preserving the quality of the housing stock. This grant may be used in conjunction with other grants offered by the Pleasanton Housing Rehabilitation Program.

### *Applicant Eligibility*

1. The applicant must reside within the city of Pleasanton.
2. The applicant's household income must be at or below 50% of the area median income as defined by HUD to be considered eligible for a paint grant. Household income includes the combined gross income of ALL persons living in the residence age 18 or older.

### *Eligible Properties*

One-to-four unit properties located in Pleasanton. The property to be repaired shall be in a condition suitable for such work to be performed on it, and there shall be no conditions that pose a hazard to the program administrator or the contractor. The program administrator will make a determination as to the suitability of the structure for the necessary repairs, and as to any potential hazardous situations. Should the structure require extensive rehabilitation work, the owner will be supplied with information on the appropriate program(s) offered to assist in the rehabilitation.

### *Eligible Work*

Exterior house painting. Preparation of the exterior surface (pursuant to Grades and Standards) and selection of one body color, two trim colors, and one porch and deck color is included in the grant. Incidental repairs as minor trim and access door replacement may be considered as part of the grant.

### *Financial Assistance*

Owner shall receive no more than City Paint Grant every five-program years. When the Exterior Paint Grant program is used in conjunction with the Exterior Clean-Up Grant or any other rehabilitation assistance on any one project, the combined amount of all rehabilitation grant assistance may not exceed \$5,000.

### *Review and Approval*

Applications for Exterior Paint Grants are submitted to the Program administrator. The administrator reviews applications for conformance with program guidelines and Housing Rehabilitation Standards.

### **Seismic Strengthening**

The purpose of this grant is to increase the safety of owner-occupied single-family structures and mobile homes. The seismic grant provides low-income homeowners with technical and financial assistance for preventive improvements to reduce earthquake damage. The grant also provides an incentive to complete other necessary repairs to the property.

### *Applicant Eligibility*

1. The applicant must reside in and hold title to the property to be assisted.
2. The applicant's household income must be at or below 80% of the Area Median Income as defined by HUD.

### *Eligible Properties*

Single-family and mobile homes or manufactured homes located in Pleasanton. The property to be repaired shall be in a condition suitable for such work to be performed on it, and there shall be no conditions that pose a hazard to the program administrator or the contractor. The program administrator will make a determination as to the suitability of the structure for the necessary repairs, and as to any potential hazardous situations.

### *Eligible Work*

Eligible work includes: installing foundation bolts; installing shear panels; bracing cripple walls; providing wall to floor connections; anchoring water heaters; and installing smoke detectors. This grant may be used in conjunction with other rehabilitation assistance offered by the City of Pleasanton. Should the structure require extensive rehabilitation work, the owner will be supplied with information on the appropriate program(s) offered to assist in the rehabilitation.

### *Financial Assistance*

The maximum amount of the grant is \$5,000. When other rehabilitation assistance (such as the Exterior Clean-Up Grant or Paint Grant) is used in conjunction with the Seismic Strengthening Grant, the combined amount of all grants may not exceed \$5,000. Only one grant during the lifetime of the property/housing unit is allowed.

### *Review and Approval*

Applications for Seismic Grants are submitted to the Program administrator. The program administrator reviews applications for conformance with program guidelines and the applicable City of Pleasanton seismic requirements.

## **SPECIFIC GUIDELINES: REHABILITATION LOAN PROGRAM**

The objective of the loan program is to improve Pleasanton's housing stock by assisting low-income homeowners with needed repairs to maintain their properties in compliance with the Pleasanton Residential Rehabilitation Standards.

### **Financial Assistance and Terms**

1. The maximum loan amount per home is \$35,000. One loan is allowed per term of ownership. Costs include: The cost of rehabilitation materials, labor, permits, credit report, title search, termite report, loan processing fees, architectural fees, engineering fees, and completion of rehabilitation contract specifications may be included in the principal amount of the loan.
2. Monthly payments will be arranged with the Program Administrator based on the borrower's income and ability to sustain a monthly payment (i.e., "affordable housing cost"). See the table included in Appendix "C" for a calculation of affordable housing cost, adjusted for family size. If it is determined that the homeowner can afford part, but not all of the calculated loan payment the homeowner will be offered a "blended loan" (part deferred, part amortized). The housing costs used in determining the percentage are also included in Appendix C.
3. If the homeowner is deemed unable to make a monthly loan payment loans may be deferred for 30 years or upon sale of the property or refinancing of the senior loan. During the deferred period, there are no payments due on the loan; however, if requested by borrowers, the City will accept occasional payments toward the reduction of principal. There is a processing fee of \$8.50 for each payment that will be remitted directly to the loan servicer (AmeriNational Community Services, Inc. as of May 2005).
4. The loan will accrue simple interest at the rate of three (3) percent per year.
5. A rehabilitation loan cannot be combined with any of the grants. Similar work, such as exterior paint, can be part of the loan.
6. The loan is due upon sale of property, transfer of title, refinance, or conversion to rental unit.
7. The loan to value ratio cannot exceed 80% (all indebtedness liened against the property in relation to the after-rehabilitation appraised value of the property).
8. Borrower must obtain title insurance, fire insurance, and flood insurance, if applicable. In addition, the borrower must maintain property insurance for the replacement value of the dwelling, in any case no less than the amount of the City loan. The City shall be named as an additional loss payee on the property insurance policy, and a copy of such declaration shall be retained as part of the loan documents.

### **Applicant Eligibility**

To qualify for a loan an applicant must:

1. Reside in and hold title to the property to be assisted, or provide a signed purchase and sale agreement;
2. Demonstrate that the household's income does not exceed the low-income level. The gross income of all household members age 18 or older are included when determining income eligibility.
3. Complete the application process as outlined below;
4. Have paid in full, and keep current all City property taxes and/or any other assessed fees; and
5. Be willing to rehabilitate the property in accordance with City Building Codes and the program's Grades and Standards.

All eligibility determinations shall be certified by the Program Administrator.

### **Eligible Properties**

One-to-four unit properties within the jurisdictional boundaries of the city of Pleasanton are eligible. The dwelling to be repaired must be owner-occupied. The property to be repaired must be in a condition suitable for such work to be performed on it, and there shall be no conditions that pose a hazard anyone visiting or performing work on the site. The administrator will determine the suitability of the structure for the necessary repairs and Assess any potential hazardous situations. Should the structure require extensive rehabilitation work beyond the scope of the Pleasanton Rehabilitation Program, the owner will be supplied with information on other appropriate program(s), if any, that are available to assist in the rehabilitation.

### **Intended Result of Repair**

After rehabilitation, the property must meet or exceed the minimum Section 8 Housing Quality Standards, as published by HUD. In addition, the specific rehabilitation work performed must adhere to the standards outlined in the program's Repair Prioritization (Appendix D), and the program's Construction Grades and Standards. Finally, the rehabilitation of the project should contribute to the overall stability and attractiveness of Pleasanton's residential housing stock and conform to the City's applicable nuisance abatement codes.

### **Eligible Repairs and Improvements**

Eligible repairs are ranked in priority order. See Appendix D for Repair Prioritization. The maximum \$35,000 loan may be used for Priority B and C items as long as the Priority A items are all addressed and the maximum loan amount of \$35,000 is not exceeded.

In properties containing more than one unit, repairs and improvements to common areas may be included when addressing the following: exterior painting, exterior clean-up, and seismic strengthening.

## **LOAN APPLICATION PROCEDURES**

### **Application Requirements**

The program administrator will screen each prospective loan applicant prior to distributing a loan package. This screening will confirm that the prospective applicant household is a) located within the city of Pleasanton; b) the owner-occupant of the household; c) of low income as defined in Appendix A; and d) not a past recipient of a rehabilitation loan from the City of Pleasanton. When initial eligibility has been determined, the program administrator will provide the applicant with an application package.

The application packet will contain the following documents:

- Loan Application
- Copy of Fair Lending Notice
- Credit Information Disclosure Authorization
- HUD Lead-Based Paint Notification Form
- Verification of Employment Form (if applicable)
- Verification of Mortgage Loan Form
- Request for copy of last two years' tax returns, signed and dated
- Request for copy of last two months' bank statements for each bank account
- If self employed, request for two years completed tax returns

The application will not be processed until the forms are signed, and the requests are fulfilled. As part of the application process the administrator will order the following services, the cost of which will be borne by the applicant and wrapped into the cost of the loan:

- Credit Report (TRW)
- Title Report (Fleet Policy, PIRT, CLTA, or ALTA)
- Appraisal (full or drive-by where applicable)

### **Inspection and Bidding**

Upon determination of applicant eligibility, an initial inspection will be made of the dwelling. Rehabilitation requirements will be determined by the program inspector during the initial inspection. If lead is present, the inspector may request that a risk assessor who specializes in lead control determine whether lead hazards exist and what type of methods must be used to control them. In addition, the program will conform to any and all laws regarding lead control and removal as proscribed by the state and federal regulators.

### **Scope of Work**

Upon completion of the inspection, the inspector will identify all eligible repairs necessary to bring the dwelling to a safe and rehabilitated condition. The inspector will develop a Scope of Work that reflects the repairs in the approved priority order. The Scope of Work is the

document used to itemize every item that will be included in the rehabilitation project. Neither the homeowner nor the contractor may add to, delete from or alter the Scope of Work in any manner without the program administrator's approval.

Both the homeowner and contractor are directed to contact the inspector for clarifications connected with the Scope of Work. The inspector shall develop his/her own estimate of the cost of repairing the items included in the final Scope of Work.

Where required by federal law, the inspector will secure a lead-based paint test before the Scope of Work is completed. The cost of the lead-based paint inspection will not be included in the contract price; however, all necessary abatement and/or interim costs will be included.

### **Bid Process**

An appointment is arranged with the homeowner to review and sign the Scope of Work. Upon approval of the Scope of Work an invitation to bid, which indicates the pre-bid site inspection ("Walk-through") date and bid opening date, are included with the Scope of Work. The Walk-through, which allows general contractors to receive the Scope of Work and inspect the property, is mandatory for submittal of a bid.

Contractors from the Program Administrator's bid list are invited to attend the Walk-through. The City does not endorse any of the contractors on the bid list; it is merely for the convenience of the homeowner. The program administrator notifies all minority contractors and an equal number of non-minority contractors of the project.

### **Award of Bid**

The homeowner, inspector and program administrator attend the Walk-through to answer questions and, if necessary, make changes through an addendum which contractors are required to obtain to complete their bids for submission to the program administrator. Contractors are required to submit their sealed bids to the program administrator by a specified date and time, approximately 10 days after the walk-through. Late bids, faxed bids and unsealed bids will not be opened. The homeowner and the program administrator evaluate the bids as submitted. There must be a minimum of three (3) bids. If three bids are not received, the job is re-bid. The homeowner is allowed to choose any bid which falls within 15% of the inspector's estimate of costs.

### **Approval/Underwriting Criteria**

The program administrator will have the authority to approve the loan utilizing the following underwriting criteria in determining whether the project is appropriate and feasible under this program:

- The applicant is at or below eighty percent (80%) of median income as outlined in Appendix A;
- The owner resides in the structure to be rehabilitated:

- The applicant has submitted a complete and accurate application packet;
- The ratio of the proposed loan and all other indebtedness to the appraised value of the home, including the value of the proposed rehabilitation, does not exceed 80% (or other limit if more restrictive, e.g., pursuant to specific HOME program guidelines for individual rehabilitation contracts that are specifically funded with HOME funds);
- The contract between the applicant and the contractor is consistent With the Scope of Work and adheres to all program requirements; and
- The project meets the priority guidelines established in Appendix D of these guidelines.

### **Post-Rehabilitation Appraised Value**

Prior to close of escrow, the Program Administrator, if he/she deems it necessary shall ensure that an appraisal has been obtained which meets the following requirements:

- The appraisal shall be prepared by a State-licensed, residential property appraiser; and
- The appraisal shall use the sales of comparable properties approach to determine value.

### **Loan Processing**

Upon approval by the program administrator, loan documents will be prepared for signature by the homeowner. The cost of the preparation of these documents will be wrapped into the amount of the loan. The loan documents that will require the applicant's signature are:

- Deed of Trust/Mortgage (Note: All parties listed on the title report must sign the deed of trust, and have their signature(s) notarized)
- Promissory Note
- Truth in Lending Disclosure Statement
- Request for Notice
- Notice of Right to Cancel
- Control Instructions
- Any other documentation required by the City

Once the documents are executed by the borrower, the recordable instruments are recorded with the Alameda County Recorder. Following the recording of the Deed of Trust, the program administrator will arrange for the confirmation that the City's lien position is secure by requesting an updating of title.

### **Loan Maintenance**

The owner must maintain adequate hazard (homeowners) insurance on the structure for the life of the loan. The amount of coverage must equal the full replacement cost of the insured structure, and the City of Pleasanton shall be named in the policy as a lender's loss payee. Hazard insurance and current status of property taxes will be monitored by the City for the life of the loan. Failure to maintain hazard insurance, or delinquency of property taxes may result in the rehabilitation loan becoming due and payable.

## **Warranty of Work**

All contractors are required to provide a two-year warranty on all work performed on rehabilitation activities, as set forth by the California State License Board. The homeowner is responsible to contact the contractor for any warranty-related problems. If the homeowner does not feel that the contractor has lived up to warrantee obligations, their appeal is to the California State License Board and not to the City of Pleasanton or the program administrator.

## **Contractor Certification**

All contractors who wish to be on the Program's bid list are required to submit their credentials on a yearly basis. A letter is mailed to the contractors in June requesting they submit the following:

- Proof of Contractor's License (California)
- Proof that the contractor is a certified home improvement contractor (B&P Code, Section 7150.2c)
- City of Pleasanton Business License
- Certificate of Insurance

The Program will not fund a contract if a contractor does not have these items. The Program reserves the right to exclude any contractor who has unresolved complaints with the State Contractor License Board. In addition, City of Pleasanton staff will annually check all contractors on the Program's bid list to ensure that they are not listed in the Excluded Parties List System (EPLS) as being debarred from working on federally funded projects.

## **IMPLEMENTATION**

The program administrator will adopt procedures in a separate procedures manual to implement these program guidelines.

## **APPENDICES**

- A. Income Guidelines
- B. Definition of Income Limits and Calculation of Applicant Income
- C. Calculation of Affordable Housing Cost
- D. Repair Prioritization

**APPENDIX A:**

**INCOME GUIDELINES**

**2012 Income Limits by Household Size**  
*(HUD, 12/1/2011)*

Number of Persons in Household:	Maximum Annual Income	
	<u>Low Inc.</u> (80% of AMI)	<u>Very Low Inc.</u> (50% of AMI)
1	\$45,750	\$32,750
2	\$52,300	\$37,400
3	\$58,850	\$42,100
4	\$65,350	\$46,750
5	\$70,600	\$50,500
6	\$75,850	\$54,250
7	\$81,050	\$58,000
8	\$86,300	\$61,750

These guidelines are based on HUD's Area Median Income (AMI) limits which are published annually. Current income limits will automatically become part of the program guidelines as soon as published by HUD each year.

## **APPENDIX B:**

### **DEFINITION OF INCOME LIMITS AND CALCULATION OF APPLICANT INCOME**

#### **Definitions of Income Limits**

For the purpose of this Program, income limits for determination of program eligibility shall be based upon the limits established by the U.S. Department of Housing and Urban Development (HUD).

#### **Calculation of Applicant Income**

Annual income is the gross amount of income anticipated to be received by applicant during the twelve months following the date of loan application submission. "APPLICANT" shall refer to all title holders living in the property and her or his spouse or domestic partner. The full definition of annual income is set forth in the following two sections: Annual Income Inclusions and Annual Income Exclusions.

#### **Annual Income Inclusions**

The following are included in annual income:

1. The gross amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips, and bonuses.
2. The net income from operation of a business or profession or from rental of real or personal property. Expenditures for business expansion or amortization of indebtedness are not considered in the computation of net income.
3. Net Family Assets. The sum of the applicant's savings and checking accounts, market value of stocks and bonds, equity in real property (with the exception of property or that portion of the property which will be rehabilitated), and other capital investments. Equity is the difference between the estimated market value of the property and the total of any loans secured by the property. The value of personal property (e.g. furniture and automobiles) is excluded. On Deeds of Trust or mortgages held by the applicant, only the interest portion of the monthly payments received by the applicant is included as income.
4. The full amount of periodic payments received from Social Security (including social security or aid received by adults on behalf of minors or by minors intended for their own support), annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts. Include any payments that will begin during the next twelve (12) months.
5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay.

6. The full amount of rental payments or regular contributions received from other persons (both family and non-family) residing in the dwelling.
7. The full amount of public assistance grants.
8. Periodic and determinable allowances, such as alimony and child support payments, regularly recurring contributions or gifts received from persons not residing in the dwelling.
9. Amounts of educational grants, scholarships or Veterans Administration benefits available for subsistence after deducting expenses for tuition, fees and books.
10. All regular pay, special pay and allowances of spouse or member of the Armed Forces who is head of the family or spouse, whether or not he/she lives in that unit.

### **Annual Income Exclusions**

The following are not included in annual income:

1. Income of title holders who are not members of the household.
2. In the case of mortgages or Deeds of Trust held by applicants, the principal portion of the payments received by the applicant.
3. The value of coupon allotments for the purchase of food pursuant to the Food Stamp Act of 1964 in excess of the amount actually charged to the eligible household.
4. Foster childcare payments.
5. Casual, sporadic or irregular gifts.
6. Lump-sum additions to family assets such as inheritances, capital gains, insurance payments, included under health, accident, hazard or worker's compensation policies, and settlements for personal or property losses.
7. Amounts that are granted specifically for, or in reimbursement of, the cost of medical expenses. Medical expenses may include those expenses incurred by handicapped resident so that he/she may live independently (e.g. attendant care).
8. Amounts of education scholarships paid directly to a student or to the educational institution, and amounts paid by the government to a veteran for use in meeting the costs of tuition, fees, books and equipment. Any amounts of such scholarships or veterans' payments, which are not used for above purposes and are available for subsistence, are considered as income. Student loans are not considered income.
9. Special military pay to a service person, head of household or spouse, away from home and exposed to hostile fire.
10. National Volunteer Antipoverty Programs which include VISTA, Service Learning Program, Special Volunteer programs, and the Domestic Volunteer Act of 1973.
11. National Older American Volunteer programs for persons age 60 and over which include Retired Senior Volunteer programs, Foster Grandparent Program, Older American Community Services Program, and National Volunteer program to Assist Small business Experience, Service Corps of Retired Executives (SCORE) and Active Corps of

Executives (ACE).

12. Relocation payments made pursuant to Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.
13. Payments received under the Alaska Native Claims Settlement Act, income derived from certain sub marginal land of the United States that is being held in trust for certain Indian tribes, income derived from the disposition of funds of the Grand River Band of Ottawa Indians, and the first \$2,000 of per capital shares received from judgments awarded by the Indian Claims Commission or the Court Claims or from funds held in trust for an Indian Tribe by the Secretary of the Interior.
14. Payments or allowances made under the Department of Health and Human Services Low-Income Home Energy Assistance Program.
15. Payments received under program funded in whole or in part under the federal job training laws.

**APPENDIX C:**

**CALCULATION OF AFFORDABLE HOUSING COST  
BY INCOME ADJUSTED FOR FAMILY SIZE**

**2012**

PERSONS IN HOUSEHOLD	Extremely Low Income (30% AMI)		Very Low Income (50% AMI)		Low Income (80% AMI)	
	Annual Income	Annual Aff Hsg Cost	Annual Income	Annual Aff Hsg Cost	Annual Income	Annual Aff Hsg Cost
1	\$19,650	\$5,895	\$32,750	\$9,825	\$45,750	\$13,725
2	\$22,450	\$6,735	\$37,400	\$11,220	\$52,300	\$15,690
3	\$25,250	\$7,575	\$42,100	\$12,630	\$58,850	\$17,655
4	\$28,050	\$8,415	\$46,750	\$14,025	\$65,350	\$19,605
5	\$30,300	\$9,090	\$50,500	\$15,150	\$70,600	\$21,180
6	\$32,550	\$9,765	\$54,250	\$16,275	\$75,850	\$22,755
7	\$34,800	\$10,440	\$58,000	\$17,400	\$81,050	\$24,315
8	\$37,050	\$11,115	\$61,750	\$18,525	\$86,300	\$25,890

Definition of Housing Cost: Selected monthly owner costs are the sum of payments for mortgages, deeds of trust, contracts to purchase, or similar debts on the property (including payments for the first mortgage), real estate taxes; fire, hazard, and flood insurance on the property; and utilities (electricity, gas, and water). It also includes, where appropriate, the monthly condominium fee for condominiums and mobile home costs (personal property taxes, site rent, registration fees, and license fees) for mobile homes. The "Annual Affordable Housing Cost" is based on 30% of the annual income for each category and household size.

## **APPENDIX D:**

### **CITY OF PLEASANTON REPAIR PRIORITIZATION**

The purpose of Residential Rehabilitation Standards is to establish a set of guidelines for the elimination of substandard conditions in housing rehabilitated with CDBG, HOME, or City Lower Income Housing Funds. It is the desire of the City of Pleasanton to ensure consistent and effective rehabilitation activities are undertaken with rehabilitation funds.

In addition, these guidelines will provide City staff and the Program Administrator with a consistent tool for identifying, prioritizing and correcting substandard conditions.

#### **Relation to Grades and Standards, and Local Codes**

Please note that these are general priority descriptions only. Program contractors must abide by the specific Grades and Standards of the program and the current codes that govern building activities in the City of Pleasanton.

Any existing locally adopted housing codes are included by reference in these standards. All rehabilitation activities undertaken through the City's Housing Rehabilitation Program Contractor will be coordinated with local code enforcement officials. Areas of coordination may include development of specifications, issuance of permits and final inspections upon the completion of construction.

#### **Rehabilitation Priorities**

##### **Priority A: Health and Safety**

All units rehabilitated with City funds must correct all deficiencies noted as Priority A. These include items related to the health and safety of the occupants, the updating of major mechanical systems, and the repair or replacement of structural elements that pose an immediate threat to the integrity of the structure.

##### **Priority B: Incipient Violations and Energy Conservation**

These are items to be addressed after all Priority A standards have been met. These generally include items that will lengthen the useful life of the structure, but are not as yet an immediate threat to the occupants or the structure, and energy conservation measures.

##### **Priority C: Amenities and General Property Improvements**

These are items to be addressed after Priority A and Priority B standards have been met. These are items that relate to the comfort of the occupants and general property improvements.

## *Corrective Measures*

After deficiencies have been identified and addressed, the following guidelines will be used in developing corrective measures. All corrective measures must comply with the Pleasanton Building Code. Additions, repairs and remodeling must comply with the state Energy Efficiency Standards, Title 24, Part 2, Chapter 2-53. The prioritization chart is shown on the following pages.

**APPENDIX D: CITY OF PLEASANTON REPAIR PRIORITIZATION****PRIORITY "A" ITEMS**

Item	Standard	Comments
<b>Windows</b>	<ol style="list-style-type: none"> <li>1. Every habitable room shall have at least one window that meets or exceeds egress requirements.</li> <li>2. All windows, including hardware, shall operate satisfactorily. Defective glass shall be replaced.</li> <li>3. All window glazing shall be weather tight, and all windows shall be properly weather-stripped.</li> </ol>	
<b>Exterior Wall Coverings</b>	<ol style="list-style-type: none"> <li>1. For units built before 1978 (otherwise, see Priority "B"): If the unit was built before 1978 and is occupied by a child under the age of 7, all defective paint shall be replaced.</li> </ol>	
<b>Doors</b>	<ol style="list-style-type: none"> <li>1. All exterior doors, including their hardware, shall operate satisfactorily and give evidence of continuing acceptable service.</li> <li>2. All exterior doors shall be of solid core construction.</li> <li>3. All exterior doors shall have locks in good condition and capable of tightly securing the doors. Locks shall conform to fire regulations for interior operation without the use of keys.</li> <li>4. All exterior doors shall be properly weather-stripped.</li> </ol>	
<b>Porches, Decks and Balconies</b>	<ol style="list-style-type: none"> <li>1. All porches, decks and balconies shall be safe and capable of supporting anticipated loads.</li> <li>2. All exterior porches, decks and balconies that are more than 30 inches above the ground shall have guardrails.</li> <li>3. All flights of stairs with more than three (3) risers shall have a handrail on at least one side. Handrails shall be firmly installed and capable of bearing normally imposed loads.</li> </ol>	
<b>Bathrooms</b>	<ol style="list-style-type: none"> <li>1. Complete bathing and sanitary facilities shall be provided within each dwelling unit (water closet, tub or shower, bathroom sink).</li> <li>2. An adequate supply of hot water shall be provided to every tub, shower, or lavatory, and cold water supplied to all fixtures.</li> <li>3. All bathrooms without windows shall be equipped with exhaust fan or other appropriate ventilating equipment.</li> <li>4. Every bathroom shall be arranged to ensure privacy, shall provide for the comfortable use of all fixtures, and shall permit at least a 90-degree door swing.</li> <li>5. Wall space shall be available for a mirror or medicine cabinet and towel bars.</li> <li>6. Bathroom additions are permitted only when no facilities presently exist.</li> </ol>	
<b>Kitchens</b>	<ol style="list-style-type: none"> <li>1. Every dwelling unit shall have a specific kitchen area that contains the following: sink with hot and cold running water, minimum counter work space of six feet, space for installed cooking and refrigeration equipment, and space for storage of utensils.</li> <li>2. Built-in stove shall be replaced if inoperable.</li> </ol>	City does not encourage priority for provision, purchase, or replacement of stoves, refrigerators or other kitchen appliances. If stand-alone stove or refrigerator are inoperable, replacement is Priority "B."

**APPENDIX D: CITY OF PLEASANTON REPAIR PRIORITIZATION****PRIORITY "A" ITEMS (CONTINUED)**

Item	Standard	Comments
<b>Stairs</b>	1. All stairs shall provide for the safety of ascent and descent. Treads or risers that are broken or that evidence excessive wear shall be replaced.	
<b>Laundry / Utility Areas</b>	1. No utility areas with gas or oil-fired water heaters or furnaces shall be located in the bathroom, clothes closet, under any stairway or in a confined space with access through any of the above locations. 2. Any enclosures shall be covered with fireproof drywall, fitted with a louvered door access and provided with a light fixture.	
<b>Fireplaces and Flues</b>	1. Fireplaces and other devices intended for similar use shall be stable, structurally sound, and connected to a code-acceptable chimney. 2. Chimneys shall be equipped with a spark arrestor device.	
<b>Attics</b>	1. All attic spaces shall be weather tight, ventilated, and insulated (see "Insulation and Weatherization" section below).	
<b>Egress</b>	1. A safe, continuous and unobstructed means of egress shall be provided from the interior of a dwelling unit to the exterior at a street or yard. 2. All doors in the egress route shall be readily openable from the inside without the use of keys. 3. Access to and from each dwelling unit shall be provided without passing through another dwelling unit.	
<b>Electrical System</b>	1. Wiring that is broken, frayed, non-insulated, non-supported or inoperative shall be replaced. 2. Missing cover plates on switches, outlets, and junction boxes and badly corroded outlets shall be corrected. 3. Inadequate power supply (main panel box, branch circuits, and receptacles) shall be upgraded to current code standards. 4. Every public hall, interior stairway, water closet compartment, bathroom, kitchen, and furnace room shall contain at least one (1) lighting fixture.	
<b>Lighting</b>	1. Every public hall, interior stairway, water closet compartment, bathroom, kitchen, and furnace room shall contain at least one (1) lighting fixture.	

**APPENDIX D: CITY OF PLEASANTON REPAIR PRIORITIZATION****PRIORITY "A" ITEMS (CONTINUED)**

<b>Item</b>	<b>Standard</b>	<b>Comments</b>
<b>Plumbing</b>	<ol style="list-style-type: none"> <li>1. Water Service Entry: All water service entry lines shall be properly connected to either a public water system or to an approved private water system.</li> <li>2. Interior hot and cold water distribution shall be supplied to all sinks, lavatories, bathtubs and showers.</li> <li>3. All water supply lines shall be installed with accessible shut off valves.</li> <li>4. Interior water distribution lines shall supply sufficient volume and pressure to plumbing fixtures for proper functioning.</li> <li>5. Water lines shall be free of leaks. Interior water distribution lines shall be insulated.</li> <li>6. Drain Waste and Vent Piping: Every sink, lavatory, bathtub, shower, toilet or other plumbing fixture shall be properly connected to a public sewer system or approved private sewer system.</li> </ol>	
<b>Water Heating</b>	<ol style="list-style-type: none"> <li>1. Every building or unit shall have domestic hot water in quantities sufficient for the needs of the occupants, and all existing water heating and storage equipment shall be in good and serviceable condition.</li> <li>2. No water heaters shall be installed in rooms designed and used for sleeping, and no gas or oil fired water heaters shall be located in the bathroom, clothes closet, under any stairway or in a confined space with access through any of the above locations. All fuel burning water heaters shall be installed and vented per the currently adopted Uniform Building Code.</li> </ol>	
<b>Wells</b>	<ol style="list-style-type: none"> <li>1. All new and existing wells shall be tested for safety by County Health Department, if requested. Back flow devices must be installed according to City and Zone 7 specifications.</li> </ol>	
<b>Septic Tanks</b>	<ol style="list-style-type: none"> <li>1. All existing tanks shall be tested by County upon request.</li> </ol>	
<b>Mechanical Equipment</b>	<ol style="list-style-type: none"> <li>1. All mechanical equipment in the building shall provide for safety in operation, capacity for the intended use, freedom from objectionable drafts, reasonable quietness of operation and reasonable durability and economy of maintenance. In addition, all mechanical equipment shall be protected from excessive moisture, blocks, corrosion or other destructive elements.</li> <li>2. Heating Mechanism and Venting: All fuel burning equipment shall be connected to a code chimney, flue or vent and shall not allow exhaust gasses to enter the living areas. All heating systems and their installation shall be in compliance with code.</li> <li>3. Distribution of Heat: Every heating system shall be capable of maintaining an interior temperature of at least 68 degrees F. within the kitchen, bedrooms, dining rooms, living room and bathrooms of all dwelling units it is responsible for heating. All duct work shall be insulated and sealed from the heat source to the register vent and from the return air supply to the heat source.</li> </ol>	

**APPENDIX D: CITY OF PLEASANTON REPAIR PRIORITIZATION****PRIORITY "A" ITEMS (CONTINUED)**

Item	Standard	Comments
<b>Insulation and Weatherization</b>	<ol style="list-style-type: none"> <li>1. All properties rehabilitated shall comply with the relevant mandatory measures listed in Sections 2-5311 through 2-5318 of the State Building Energy Efficiency Standards. Additions which increase the amount of conditioned space shall meet the compliance requirements of new constructions. An addition is defined as any newly constructed conditioned space in an existing structure, including situations where the overall floor area of the building is decreased or any new conditioned space in previously unconditioned areas, i.e., basement or garage remodelings.</li> <li>2. <u>Standard - Section 2-5311</u>: Any installed insulation shall comply with the California Quality for Insulating Materials, effective January 1, 1982.</li> <li>3. <u>Standard - Section 2-5313</u>: Any additional insulation installed in accessible attics must meet or exceed R-30. In addition, all projects shall have attic insulation installed to R-30 where physically possible.</li> <li>4. <u>Standard - Section 2-5314</u>: All newly installed room or centrally installed air conditioners, heat pumps, heat operated cooling equipment, gas space heaters, gas or electric hot water heaters, gravity central or fan central furnaces, showerheads and faucets must be certified with the State Appliance Energy Standards and the certificates must be posted on site.</li> <li>5. <u>Standard - Section 2-5315</u>: All heating systems, other than non-central electric, room air conditioner heat pumps, gravity wall, gravity floor, or gravity room heaters shall have set back thermostats.</li> <li>6. <u>Standard - Section 2-5316</u>: All conditioned air ducts shall be insulated. All exhaust fans, including kitchen or bath fans, must be equipped with back draft or automatic dampers.</li> <li>7. <u>Standard - Section 2-5317</u>: All doors and windows shall be adequately weather stripped to reduce the infiltration of air into the living areas and any loose or brittle caulking around door and window frames shall be replaced or installed new where none is present. Openings for pipe penetrations, access doors, etc., shall be weather stripped and caulked.</li> <li>8. <u>Standard - Section 2-5318</u>: Applies to non-solar heated swimming pools.</li> </ol>	

**APPENDIX D: CITY OF PLEASANTON REPAIR PRIORITIZATION****PRIORITY "B" ITEMS**

Item	Standard	Comments
<b>Exterior Wall Coverings</b>	<ol style="list-style-type: none"> <li>1. All building exteriors shall be in good condition and shall be structurally sound and sanitary to protect the occupants from the environment.</li> <li>2. All exterior wall coverings shall be free of holes, cracks or broken or rotted finish materials that might admit rain or dampness into the interior portions of the walls or into the occupied spaces of the building.</li> <li>3. All exterior surface materials, including wood, composition, or metal siding, shall be maintained weatherproof and shall be properly surface-coated (see "Grades and Standards") when required to prevent deterioration.</li> <li>4. Lead paint standard for units built prior to 1978: See Priority "A."</li> </ol>	
<b>Drainage</b>	<ol style="list-style-type: none"> <li>1. Any deficiencies in property grading or paving adjacent to the building shall be corrected to assure surface drainage away from foundation walls, the prevention of accumulated stagnant water on the lot, and the prevention of soil saturation detrimental to structures.</li> </ol>	Becomes Priority "A" when situation poses a threat to the health and safety of the occupants.
<b>Foundations and Piers</b>	<ol style="list-style-type: none"> <li>1. All foundations and walls shall be sound, plumb and shall prevent the entrance of water or moisture into basement or crawl space areas. Cracks shall be sealed and loose or defective mortar replaced. All structural defects shall be corrected.</li> </ol>	Becomes Priority "A" when situation poses a threat to the integrity of the structure.
<b>Exterior Door Weatherization</b>	<ol style="list-style-type: none"> <li>1. All exterior doors shall be weather-stripped so that there is no significant entry of air or water into the structure.</li> </ol>	
<b>Basement, Crawl Spaces and Cellars</b>	<ol style="list-style-type: none"> <li>1. Basement and crawl spaces shall not allow significant entry of ground water from the walls and floors. All serious defects in basement or crawl space walls shall be repaired and all cracks effectively sealed. All basement hatchways shall be sound, secure and maintained to prevent the entrance of rodents, rain and surface water into the structure. All crawl spaces shall be provided with ventilation walls to ensure ample ventilation and all structure ventilating openings shall be covered with a corrosion-resistant wire mesh. Crawl spaces shall be insulated and in accordance with energy conservation standards.</li> </ol>	Becomes Priority "A" when situation poses a threat to the health and safety of the occupants or the integrity of the structure.

**APPENDIX D: CITY OF PLEASANTON REPAIR PRIORITIZATION**

**PRIORITY "C" ITEMS**

<b>Item</b>	<b>Standard</b>	<b>Comments</b>
<b>Site Improvements</b>	1. Standard: All excessively cracked or crumbling concrete areas shall be replaced and any irregular or uneven concrete walk sections shall be made safe.	Becomes Priority "B" when the situation is incipient in nature and may pose a threat to the health and safety of the occupants.
<b>Landscaping</b>	1. All overgrowth of weeds, trees, shrubs, or root intrusion which threaten the long-term structural integrity of the property, or pose a significant fire hazard, or provide breeding habitat for pests shall be removed.	[Same as above]
<b>Fencing</b>	1. Fencing which is dilapidated, unsightly, or provides a breeding habitat for pests shall be removed.	