



CITY OF RIO RANCHO CDBG – CRITICAL HOME REPAIR ASSISTANCE PROGRAM

PROGRAM DESCRIPTION

The City of Rio Rancho's Critical Home Repair Assistance Program (CHRAP) is funded via the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG). The program is being administered by The Greater Albuquerque Area Habitat for Humanity, and assists qualifying low income Rio Rancho homeowners with certain repairs to the home they own and occupy. The assistance is not paid directly to the homeowner, but to the licensed and pre-approved contractor who performs the work. The Code of Federal Regulations, at 24 CFR 570, governs the use of these federal funds. The primary objective of the CHRAP Program is to promote decent, safe, and sanitary residential housing for low income homeowners by providing various repairs to essential functioning, non-aesthetic, principal fixtures and structural components of owner-occupied housing. The entire application packet can be downloaded and printed at: www.rnm.gov/CDBG.

Home Repair Assistance Program funds may be used to repair, or replace currently failing:

- Heating/Cooling mechanical systems,
- Water Heaters,
- Roofs,
- ADA Compliance,
- Other Health Related Issues , i.e., Lead, Mold, Window repair or replacement

Federal False Claims Act

Under the False Claims Act, 31 U.S.C. §§ 3729-3733, those who knowingly submit, or cause another person or entity to submit, false claims for payment of government funds are liable for three times the government's damages plus civil penalties of \$5,500 to \$11,000 per false claim.

To qualify for this program, the homeowner must meet the following minimum requirements:

1. Own and occupy the home under a sales contract, rent-to-own contract, fee simple, or hold title to the property. Any outstanding mortgage and taxes must be paid current.
2. Have no plans to sell or rent the home within 12 months following completion of the work.
3. The home must be within the city limits of Rio Rancho and must be insured.
4. At minimum, one of the owners must be a U.S. citizen and this owner's name must appear in the county assessor's records as an owner of the home.
5. The household must meet the current Federal income guidelines as established by the HUD Section 8 Guidelines, as stated in the table on the Homeowner Application.

The box below indicates what income must be reported by all members of the household, including all owners regardless of occupancy.

Gross Annual Household Income must be computed using HUD's specific guidelines.

Per HUD, Gross Annual Wage/Salary Income is not what was earned last year as shown on your tax return. Gross Annual Wage/Salary Income is computed by taking the amount currently earned and projecting it out over the coming 12 months. For example, if you are currently earning \$12 per hour and work 40 hours per week, $\$12 \text{ per hour} \times 40 \text{ hours per week} \times 52 \text{ weeks per year} = \$24,960$. Any additional (gross) household income from social security or disability benefits (paid to adults and minors), interest & dividends, pensions, annuities, unemployment benefits, welfare assistance, alimony, child support, a family business, and gift income would all be added to that amount to calculate the household's total expected gross annual income over the coming 12 months. The wage/salary income of every household member 18 years of age or older and any government assistance paid to, or on behalf of, a minor would also be included.

Additional Important Program Information:

- In the event a homeowner has the necessary work completed without use of the CHRAP Program and Policies, the City of Rio Rancho will not reimburse them.
- Funding is limited. A completed application packet does not guarantee an approval of funds.
- Resolution of any dispute or warranty issue shall be strictly between the homeowner and the contractor. The City is only the source of the grant funds and is not a party to the agreement, which is between the homeowner and the contractor. The City will not become involved in any dispute.

The City of Rio Rancho is committed to compliance with the Americans with Disabilities Act (ADA and Section 504 of the Rehabilitation Act of 1973, as amended). Reasonable modifications and equal access to communications will be provided upon request. The City of Rio Rancho does not discriminate on the basis of disability in the admission, access to, or treatment of employees in the City's programs and activities.

REQUIRED DOCUMENTATION

The following documents are required from the Homeowner(s), in order to determine Program eligibility:

- Completed signed and dated Critical Home Repair Assistance Program Application.
- Proof of ownership under sales contract, fee simple, or title to the property.
- Evidence that all property tax & mortgage payments are paid to date.
- Signed and dated Authorization and Release and Acceptance forms (both attached).
- A signed Affidavit certifying the applicant has no plans to sell the home within the next 12 months.
- Evidence that the home lies within the corporate limits of the City of Rio Rancho.
- Copy of Driver's License, or government-issued picture ID, for the homeowner(s).
- Proof of U.S. Citizenship through birth certificate, naturalization papers or passport.
- Copy of the declaration page of current Homeowner's Insurance Policy that indicates dates of coverage. The City of Rio Rancho should be added as additionally insured.

In addition, the following documents are required (if applicable) from the Homeowner(s), and any other income-earning adult household member (18 years of age or older).

- Copy of most recent Federal Income Tax Return, complete with all schedules, W2's, and 1099's used to file the return. If the homeowner is not required to file a tax return, an IRS tax transcript is required indicating no tax return has been filed.
- Copies of last two (2) paycheck stubs.
- Documentation for all other income, including social security, child support, rental, unemployment benefits, welfare assistance, alimony,

child support, armed forces pay, gifts, and interest or dividend income, etc.

- Copies of the most recent statements for all checking accounts, savings accounts, certificates of deposit (CD's) and investment/retirement accounts. Three months of banks statements required.
- Any additional documentation required to determine eligibility, based on the specific situation of the applicant(s).

The application will not be considered until the complete packet is received.

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AFFIDAVIT

Owner(s):

Property:

- I/We the undersigned certify that:
- I/We currently occupy the Property as my/our principal residence.
- I/We intend to occupy the Property as my/our principal residence for at least twelve months after the date of completion of the repair completed through the City of Rio Rancho Critical Home Repair Assistance Program (CHRAP).
- I/We have no present intent to sell, lease, rent or otherwise dispose of said Property.
- I/We also understand that any false statements, misrepresentations or material omissions may result in civil and criminal penalties.
- I/We understand that a forgivable, interest free mortgage/note on the affected property will be filed for a period of five (5) years. Mortgage will be released at the end of the 5-year period, or upon the sale or transfer of the property, if sold prior to the 5 year period. If sold or transferred, the mortgage must be paid from the proceeds of the sale.

By signing below, I/we hereby acknowledge that I/we have read, understood, & agree with the contents of this document.

Owner-

Owner-

STATE OF NEW MEXICO

COUNTY OF SANDOVAL

This instrument was acknowledged before me on _____, 2024, by

My Commission Expires:

Notary Public

