

CITY OF COLTON



**MOBILE HOME REHABILITATION PROGRAM
POLICY & PARTICIPATION GUIDELINES**

**Economic Development Department
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**CITY OF COLTON
MOBILE HOME REHAB
PROGRAM GUIDELINES**

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CITY OF COLTON

MOBILE HOME REHABILITATION PROGRAM GUIDELINES

1.0. GENERAL

The City of Colton is in the heart of Southern California's Inland Empire – one of the nation's fastest growing population and economic centers – Colton has a small-town atmosphere and a desirable quality of life that many residents love. A comprehensive transportation network, available underdeveloped land, a skilled, ready-to-work labor pool, and a viable partnership between business, city, and county government contribute vitality to Colton's robust commerce and quality of life.

In response to deteriorating housing conditions the City of Colton created the Mobile Home Rehab Program in effort to upgrade these communities that are vital to ensuring that Colton has quality affordable housing for the foreseeable future. The Mobile Home Rehab Program will provide up to fifteen thousand dollars (\$15,000) in financial assistance for construction related expenses to rehab property. Funds will be paid directly to the certified contractor who is completing the project. The program's primary goals are to preserve housing and the quality of affordable neighborhoods and rehabilitate the deteriorated properties.

2.0 MOBILE HOME REHABILITATION PROGRAM

The City of Colton offers Mobile Home Rehab Grants. This grant program encourages investment in the existing housing stock to extremely low and low income.

An eligible homeowner may qualify for the full cost of rehabilitation/reconstruction work needed to comply with State and local codes and ordinances. Maximum assistance shall not exceed \$15,000.00. Priority for funding will occur as follows:

- Pool 1- All homes with cited violations
- Pool 2- All homes with non-cited violations
- Pool 3- All others

Pool 2 applicants must provide a home inspection by a licensed professional detailing violation. Additionally, Pool 2 applicants must provide Inspection Reports from a licensed professional (contractor, home inspector, etc.)

3.0 PROGRAM GOALS

The goal of the City is to use its allocated funds in a timely manner to assist homeowners with needed repairs. The City aims to provide financial assistance to those applicants who qualify under the program. The number of homes assisted will vary depending on funding availability for that fiscal year.

4.0 PROJECT COORDINATOR

The City of Colton has assigned Staff and/or consultants to provide technical assistance to applicants eligible for mobile home rehab activities and coordinate and manage the construction portions of the rehab project.

Staff and/or consultants are responsible for the day-to-day supervision of the program. The primary responsibility of staff and/or consultants is to process applications and provide technical assistance to applicants interested in the Program. Additional responsibilities include coordination with code enforcement department, and contractors.

Staff and/or consultants will oversee the construction of the project from conception to completion. The staff will monitor and review the work progress of project site; and reviews the project in-depth to schedule deliverables and estimate costs. Additional responsibilities include oversee all onsite and offsite constructions to monitor compliance with building and safety regulations to ensure quality construction standards and the use of proper construction techniques.

5.0 ELIGIBILITY CRITERIA FOR PROGRAM

The eligibility criteria for the program is as follows:

- Applicant Mobile Home must be within the City of Colton.
- The home must be owner occupied and reside in the mobile home requesting the repairs for at least one year
- One application per Household will be allowed
- Household income cannot exceed 80% of San Bernardino County Income Limits
- Property cannot be located within a flood hazard zone

A photocopy of recent electric and gas bill will verify proof of occupancy. No property to be rehabilitated will receive financial assistance if it is currently occupied by an over-income household, tenant occupied home, or does not meet other eligibility standards outlined in these guidelines.

6.0 ELGIBILITY VERIFICATION FOR PROGRAM

1. Applicant must completely fill out the Mobile Home Rehab application.
2. Applicant must provide the following proof of income:
 - Last year's Federal Income Tax Return, including all schedules for each working member of the household.
 - Two (2) months most recent paycheck stubs or other source of income for each working member of the household.
 - Examples of other income:
 - ❖ Social Security award letter
 - ❖ Pension award letter
 - ❖ Public assistance/welfare or unemployment benefit award letter of payment check
 - ❖ Alimony or child support
 - ❖ Disability award letter of payment check
 - ❖ Self-employed profits
 - ❖ Interest from Bank Accounts and Cash funds
 - ❖ Rental Property
 - ❖ Income derived from rental property
3. The following information must be provided for proof of ownership:
 - Deed of trust

7.0 INCOME DETERMINATION FOR PROGRAM

Staff and/or consultants will verify the applicant's income and allowable expenses to determine if the applicant qualifies for the program

All homeowners must certify that they meet the household income eligibility requirements for the Mobile Home Program and submit supporting income documentation for all adults in the household. Income will be verified by reviewing tax returns, copies of pay stubs, subsidy checks and bank statements. All documentation shall be dated within the last three (3) consecutive months and kept in the applicant file and held in strict confidence. The income limits in place at the time of grant approval will apply when determining applicant income eligibility. All applicants must have incomes at or below 80% of San Bernardino County's area median income (AMI), adjusted for household size, as published by HUD each year. **See Attachment A.**

The link to the official HUD-maintained income limits is:
[FY 2024 HUD Income Limits- San Bernardino County](#)

Household: means one or more persons who will occupy a housing unit.

Annual Income: Income determination will be based on annual income which is defined in 24 CFR 5.609, referred to as "Part 5 Annual Income".

A. HOUSEHOLD INCOME DEFINITION:

Household income is the annual gross income of all adult household members that is projected to be received during the coming 12-month period, and will be used to determine program eligibility. Gross amounts (before any deductions have been taken) are used; and the types of income that are not considered would be income of minors or live-in aides.

B. ASSETS:

There is no asset limitation for participation in the Program. Income from assets is, however, recognized as part of annual income. An asset is a cash or non-cash item that can be converted to cash. The value of necessary items such as furniture and automobiles are not included. *(Note: it is the income earned – e.g. interest on a savings account – not the asset value, which is counted in annual income.)*

An asset's cash value is the market value less reasonable expenses required to convert the asset to cash, including: Penalties or fees for converting financial holdings and costs for selling real property. The cash value (rather than the market value) of an item is counted as an asset.

8.0 CONTRACTORS ELIGIBILITY

Contractors must be licensed and bonded by the State of California Contractors Licensing Board. Contractors must also provide Program Operator with evidence of Workers' Compensation Insurance, Comprehensive General Liability, Property Damage Insurance with Combined Single Limits of at least \$1,000,000, and proof of current City of Colton business license.

Staff and/or consultants determines eligibility of the contractor by contacting the State Contractors License Board and checking the Federal List of Debarred Contractors. The contractor is also required to provide a self- certification stating that he/she is not on the Federal debarred list.

9.0 STANDARDS

A. All repair work will meet Local Building Code standards. At a minimum, health and safety hazards must be eliminated. Housing Staff may also require elimination of code deficiencies. The property must meet all applicable current codes, rehabilitation standards, ordinances, and zoning ordinances at the time of project completion. However, if certain components of the house are sound and were built to code prescribed

at the time of installation, no repair or alteration will be made to those components.

B. Approved Contractors

1. Contractors are required to be licensed with the State of California, and be active and in good standing with the Contractors' License Board.
2. Contractors will be checked against HUD's list of federally debarred contractors. No award will be granted to a contractor on this list.
3. Contractors must have public liability and property damage insurance, and worker's compensation, unemployment and disability insurance, to the extent required by State law.
4. Contractor must agree to comply with all federal and state regulations.

10.0 ELIGIBLE CONSTRUCTION COSTS

Rehabilitation" means, in addition to the definition in Section 50096 of the Health and Safety Code, repairs and improvements to a manufactured home necessary to correct any condition causing the home to be substandard pursuant to Title 25, article 10 section 1606 of the Housing and Community Development Mobile home Parks and Installations Regulations.

Rehabilitation also means repairs and improvements where necessary to meet any locally adopted standards used in local rehabilitation programs. Rehabilitation does not include replacement of personal property.

Rehabilitation will address the following issues in the order listed.

1. California Health and Safety Code Section 17920.3

Includes, but are not limited to, local ordinances, building codes, structural issues, electrical hazards, plumbing problems, health hazards (mold, mildew etc.), and handicap accessibility.

2. Demolition

Includes, but are not limited to, the tear down and disposal of dilapidated structures when they are a part of the reconstruction of an affordable housing unit. If a garage or carport is detached, it may not be rehabilitated but may be demolished, if it is determined to be a health and safety issue.

3. Upgrades

The Program will not fund any luxury items such as room additions to a home, swimming pools, garage conversions, washer or dryer, and barbecues. Window air conditioner are not eligible items.

All improvements must be physically attached to the property and permanent in nature. Other property improvements such as fencing, landscaping, and driveway are not allowed.

11.0 PROCUREMENT PROCEDURES

Vendors Lists: The City may maintain a list of state licensed vendors to be provided to the applicant upon request.

12.0 PROHIBITED PRACTICES

Staff and/or consultants are specifically prohibited from:

1) Accepting or receiving (directly or indirectly) from any person, firm or corporation to whom any contract or purchase order may be awarded (by rebate, gift, or otherwise), any money, promise, or material value, future award or compensation.

2) Using information available to officials and employees, solely because of their city position, for personal profit, gain or advantage.

3) Provide confidential information to persons to whom issuance of such information has not been authorized.

4) Using a position or status in the city to solicit (directly or indirectly) business of any kind; or to purchase products at special discounts concessions for personal private use from any person or firm who sells or solicits sales to the City.

13.0 CONSTRUCTION MANAGEMENT

- A. **Owner/Contractor Agreement:** An Owner/Contractor Agreement is prepared on behalf of the homeowner by Staff and/or consultants. The agreement should include the cost of construction, warranty, payment, construction start and end dates, as well as general guidelines.
- B. **Pre-Construction Meeting:** A pre-construction meeting is scheduled with homeowner, contractor and Staff and/or consultants. Staff and/or consultants reviews the Owner/Contractor Agreement, including the work write-up, start date, pay schedule, and date of completion, with the homeowner and contractor. The construction contract and Notice to Proceed are executed.
- C. **Field Inspections:** The Staff and/or consultants performs field inspections on a regular basis or as needed to check the scope of work, inspects materials, work meets building codes, and to confirm the job is on schedule and within budget.
- D. **Work Review:** The Staff and/or consultants reviews the work status with the homeowner and with the contractor to remedy any developing problems quickly and to ensure that both are satisfied with the construction process. The Staff and/or consultants will refer to original plans and specifications to verify the work was completed as contracted.
- E. **Change Orders:** If the contractor has uncovered damages not present at the time of bidding (for example, water, electrical, plumbing damages when flooring, roofing, and walls are removed), a change order may be requested to the Staff and/or consultants. Change order must be on contractor's company letterhead and must state the change and dollar value for the change. The change order must be signed by both the contractor and the homeowner and submitted to the Staff and/or consultants to verify costs and justification of the change and submits it to the Manger for final approval. If the change order exceeds the approved financing, the homeowner will be asked to provide additional funds, or a non-essential line item will be removed from the write up to cover the change order.

14.0 EXTERIOR ELEGIBLE IMPROVEMENTS

Eligible repairs include serious health and safety issues as defined in Section of the California Health & Safety Code and the City of Colton Municipal Code section. An inspection will be conducted by department staff to determine serious code violations/deficiencies once approval of application.

- Accessibility Issues
- Unsanitary Plumbing Conditions
- Hazardous Electrical Systems
- Roof Replacements
- Inoperative HVAC systems

Health & Safety repairs must first be addressed prior to undertaking any exterior improvements. Examples of health and safety issues are inoperative heating unit, hazard fencing, and lead hazards.

15.0 AMENDMENTS

The Manager may make amendments to Program Participant Guidelines. Any changes made shall be in accordance with federal and state regulations.

16.0 PROGRAM COMPLAINT AND APPEAL PROCEDURE

Complaints concerning the Mobile Home Rehab Program should be made to Staff and/or consultants administering the programs first. If unresolved in this manner, the complaint or appeal shall be made in writing and filed with the Department Manager. The Department Manager will then schedule a meeting with the homeowner(s). The written response will be made within fourteen (14) working days. If the applicant is not satisfied with the Manager's decision, a request for an appeal may be filed with the City Manager.

17.0 GRIEVANCES BETWEEN HOMEOWNERS AND CONSTRUCTION CONTRACTOR

Contracts signed by the contractor and the homeowner include the following clause, which provides a procedure for resolution of grievances:

Any controversy arising out of or relating to this Contract, or the breach thereof, shall be submitted to binding arbitration in accordance with the provisions of the California Arbitration Law, Code of Civil Procedure 1280 et seq., and the Rules of the American Arbitration Association. The arbitrator shall have the final authority to order work performed, to order the payment from one party to another, and to order who shall bear the costs of arbitration. Costs to initiate arbitration shall be paid by the party seeking arbitration. Notwithstanding, the

party prevailing in any arbitration proceeding shall be entitled to recover from the other all attorney's fees and costs of arbitration.

18.0 RECORD RETENTION

The City of Colton will maintain accurate Mobile Home Rehab program files and records for general administration activities, for each applicant as required by the City and HUD guidelines.

ATTACHMENT A

FOR REFERENCE PURPOSES ONLY

Maximum Annual Household Income Limits as Determined by HUD effective April 1, 2024								
Persons in Household								
	1	2	3	4	5	6	7	8
80% Moderate Income	\$57,400	\$65,600	\$73,800	\$82,000	\$88,600	\$95,150	\$101,650	\$108,250
50% Low-Income	\$35,900	\$41,000	\$46,100	\$51,250	\$55,350	\$59,450	\$63,550	\$67,650
30% Extremely Low-Income	\$21,550	\$24,600	\$27,700	\$31,200	\$36,580	\$41,960	\$47,340	\$52,720

* the income limits will be updated annually as HUD provides new information. Income limits may change as published by HUD.

