Beaufort County

Assistance Policy

For the 2022 Cycle of the
Essential Single-Family Rehabilitation Loan Pool

What is the Essential Single-Family Rehabilitation Loan Pool?

Beaufort County has been awarded Membership by the North Carolina Housing Finance Agency ("NCHFA") under the 2022 Cycle of the Essential Single-Family Rehabilitation Loan Pool ("ESFRLP"). This program provides Members with funds via a "loan pool" to assist with the rehabilitation of moderately deteriorated homes that are owned and occupied by lower-income, special need households. ESFRLP assists eligible households by facilitating aging in place, meeting minimum housing code requirements, promoting long-term affordability, lowering operating costs, and stabilizing pre-1978 homes that include children aged 6 or under whose health is threatened by the presence of lead hazards.

Beaufort County has been allocated an initial set-aside of $162,000 which it plans to apply toward the rehabilitation of three houses in Beaufort County. After demonstrating successful use of this allocation, the County may access additional funds, when available, on a unit-by-unit basis from the ESFRLP loan pool to assist additional homes.

This Assistance Policy describes who is eligible for assistance under ESFRLP, how applications for assistance will be ranked, what the terms of assistance are, and how the rehabilitation process will be managed. Beaufort County has designed the ESFRLP project to be fair, open and consistent with its approved application for funding and with ESFRLP Program Guidelines.

The funds provided by NCHFA come from the US Department of Housing and Urban Development's (HUD) Federal HOME Investment Partnerships Program. Assistance for construction-related costs (hard costs) will be provided as no interest, no payment loans which are forgiven at the rate of $8,000 per year. Non-construction-related costs (soft costs including lead/asbestos inspections/clearances, radon testing and environmental reviews) will be provided in the form of a grant.

EMERGENCY and HEALTH Notifications: Due to the current COVID-19 pandemic, increased awareness of the need to protect County representatives and the homeowners they serve from various health related exposures has become more apparent than ever. Homeowners participating in the ESFRLP program must agree to follow all local, state and federal guidelines for emergency preparedness surrounding the COVID-19 pandemic and any other emergency declared that includes their property address for the duration of construction on the property.

Who is Eligible to Apply?

There are three major requirements to be eligible for ESFRLP assistance:

1) The housing unit to be rehabilitated with ESFRLP funds must be located in Beaufort County, and must be owner-occupied. The household occupying the unit must have

an elderly, disabled and/or veteran (see definitions) fulltime household member or a child aged 6 or under threatened by lead hazards in the home;
2) The gross annual household income must not exceed 80% of the Area Median Income for the County (see income limit table on the following page) and;
3) The cost of rehabilitation cannot exceed the ESFRLP Program limit of $40,000 and must include all Essential Rehabilitation Criteria as described in the ESFRLP Administrator's Manual for the 2022 Cycle (available online at www.NCHFA.com).

Unfortunately, not all homes can be rehabilitated to meet the Essential Rehabilitation Criteria with the limited funding available. Some otherwise-eligible households may be deemed ineligible for assistance because their homes fail this test.

What Types Of Houses Are Eligible?

Properties are eligible only if they meet all of the following requirements:

- The property must require at least $5,000 of improvements to meet the more stringent of either the ESFRLP Property Standards or the local minimum housing code.
- Site-built and off frame modular units listed as real property are eligible for assistance. Manufactured housing is eligible for assistance if the foundation and utility hookups are permanently affixed including removal of all transporting equipment (e.g. wheels, axles, tongue) and installation of a masonry foundation and tie-downs.
- No more than fifty percent (50%) of the total area of the unit may be used for an office or business (e.g. day care, hair salon, room rental, etc.). Program funds may only be used to improve the residential exterior, interior and systems portion of mixed-use buildings.
- The property must be free of environmental hazards and other nuisances as defined by all applicable codes or regulations, or any such hazards or nuisances must be corrected as part of the rehabilitation of the home. Beaufort County's Rehabilitation Specialist will determine the presence of any known environmental hazards/nuisances on the site and if they can be removed through rehabilitation.
- Properties cannot be located in the right-of-way of any impending or planned public improvements. Beaufort County staff will assist in making this determination.
- The property cannot be located on a site that is endangered by mudslides, landslides or other natural or environmental hazards. If needed, the Rehabilitation Specialist will work with the homeowner to make this determination.
- The property may be located in the 100-year flood plain if the lowest finished floor level (verified by an elevation certificate provided by the homeowner) is above the base flood elevation and the property will be covered by flood insurance. The property must comply with Beaufort County's flood plain ordinance. All things considered equal, properties located outside the 100-year flood plain will be given priority over properties located in the 100-year flood plain. Beaufort County will verify whether the home is in the flood plain.
- The property cannot have been repaired or rehabilitated with public funding of $30,000 or more within the past 10 years without NCHFA approval.

2022 Income Limits for Beaufort County's
Essential Single-Family Rehabilitation Loan Pool

Number in Household	30% of Median Income	50% of Median Income	80% of Median Income
1	$14,050	$23,450	$37,450
2	$16,050	$26,800	$42,800
3	$18,050	$30,150	$48,150
4	$20,050	$33,450	$53,500
5	$21,700	$36,150	$57,800
6	$23,300	$38,850	$62,100
7	$24,900	$41,500	$66,350
8	$26,500	$44,200	$70,650

*Income limits are subject to change based on annually published HUD HOME Income Limits. This update will not require a re-approval by the governing authority.

How are applications ranked?

There are many more ESFRLP-eligible households (with eligible houses) than can be assisted with the available funds. Therefore, Beaufort County has devised the following priority system to rank eligible applicants, determine which of them will be selected for assistance and in what order. Under this system applicants will receive points for falling into certain categories. Applications will be ranked according to which receive the most points. If there are more eligible applicants with eligible houses than can be treated with existing funding, Beaufort County may be able to treat additional houses with unrestricted pool funds. Pool applicants will come from the original applicant list and be considered according to which household received the most points. If alternate pool applicants are not identified on the original applicant list and must be solicited, the solicited, eligible, pool applicants will be selected on a first come, first to qualify, first served basis.

Priority Ranking System for Beaufort County's
2022 Essential Single-Family Rehabilitation Loan Pool

Emergency Need	*Points*
Threat of imminent eviction/removal; must meet Special Need(s) & income requirements; applications received at any time	*8*
Special Needs (for definitions, see below)	*Points*
Household with a child under age 6 with lead hazards in the home	4
Elderly Household *(62 or older)*	4
Disabled	4
Veteran Household	4
Multiple Disabled, Elderly or Veteran Household Members (more than 1)	4
Income (See Income Table above)	*Points*
Less than 30% of County Median Income	4
30% to 50% of County Median Income	4
50% to 80% of County Median Income	4

Definitions under ESFRLP are:

- *Elderly*: An individual aged 62 or older.

- *Disabled*: A person who has a physical, mental or developmental disability that greatly limits one or more major life activities, has a document of such impairment, or is regarded as having such an impairment
- *Head of Household:* The person or persons who own(s) the house.
- *Household Member*: Any individual who is an occupant (defined below) of the unit to be rehabilitated shall be considered a "household member" (the number of household members will be used to determine household size and all household members are subject to income verification).
- *Occupant*: An occupant is defined as any immediate family member (mother, father, spouse, son/daughter of the head of household) who has resided in the dwelling unit for at least 3 months prior to the submission of the family's application.
- *Veteran:* A person who is a military veteran, is defined as one who served in the active military, naval, or air service (i.e. Army, Navy, Air Force, Marine Corps, and Coast Guard; as a commissioned officer of the Public Health Service; or as a commissioned officer of the National Oceanic and Atmospheric Administration or its predecessors), and who was discharged or released there from under conditions other than dishonorable. Provide DD-214 form to demonstrate.
- *Emergency:* A situation in which a household member has an immediate threat of being evicted or removed from a home due to health or safety issues within a time frame that the program can complete a repair to stop eviction or removal. These applications will be received at any time during the funding cycle and elevated based on the ability of the program to complete the work in a timely manner that meets the goal of assisting homeowners to remain in their home. This may be documented with a doctor's letter or eviction notice.

Recipients of assistance under ESFRLP will be chosen by the above criteria without regard to race, color, religion, national origin, sex, familial status and disability.

What Are The Terms of Assistance Under ESFRLP?

The form of ESFRLP assistance is a 0% interest, forgivable loan covering the hard costs associated with the rehabilitation of the home and a grant for the soft costs. These will be two separate documents or sets of documents.

The Loan: NCHFA will create loan documents for the homeowner(s) including a Promissory Note and Deed of Trust covering hard costs for the rehabilitation in an amount not to exceed $40,000. This loan covering the hard costs remains 0% interest and forgivable at $8,000 per year for as long as the owner resides in the home or until the balance is reduced to $0. The term of the loan is dependent upon the loan amount and the number of years it takes to bring the balance of the loan to $0 when forgiven at $8,000 per year. For example, if the amount of the loan is $37,452, then the term is 5 years ($32,000 forgiven over the first 4 years and $5,452 forgiven at the end of the 5th year). The maximum term of the typical loan will be five years.

As long as the borrower lives in the home, no payments on the loan will be required. If the recipient prefers, the loan can be paid off at any time to NCHFA, either in installments or as a lump sum payment. Furthermore, under certain circumstances NCHFA may allow

assumption or refinancing of the loan. Should an heir inherit the property and choose to live in the house as their permanent residence, they may assume the loan without being income eligible. However, the lien remains on the property as per the original loan terms. A buyer who may wish to buy the property to live in may assume the loan so long as they can document that they are income-eligible (≤ 80% AMI). Default can occur if the property is sold or transferred to another person and/or if the borrower fails to use the home as a principal residence, without prior written approval of the North Carolina Housing Finance Agency.

The Grant: To pay for soft costs including application outreach/intake/management, environmental reviews/inspections/testing and project assessment/documentation/ estimating/bidding, NCHFA will create a Grant Agreement not to exceed $10,000. The grant has no repayment or recovery terms.

What Kinds Of Work Will Be Done?

Each house selected for assistance must be rehabilitated to meet ESFRLP Rehabilitation Criteria. That means every house must, upon completion of the rehabilitation:

- meet the more stringent requirements of either NCHFA's Essential Property Standard or Beaufort County's Minimum Housing Code. These are "habitability standards" which set minimum standards for decent, safe and sanitary living conditions. Additionally, the home must meet applicable Lead-Based Paint regulations 24 CFR part 35.
- retain no "imminent threats" to the health and safety of the home's occupants or to the home's "structural integrity". (An example of an imminent threat to occupants as well as to the home's structural integrity is an infestation of insects or a crawlspace that is too damp).

These requirements are spelled out in full in the ESFRLP Administrator's Manual which you may view, at reasonable times, upon request, at the Community Development office of Beaufort County or anytime online at www.NCHFA.com.

In addition to the above items that must be done to satisfy NCHFA requirements, the scope of work may include approved items meant to reduce future maintenance and operational costs or to further protect homes from natural disasters and/or home modifications designed to enable greater accessibility for household members to function more independently as they age.

Once the rehabilitation is complete, major systems in the home that, with reasonable maintenance and normal use, should be capable of lasting another 5 years include: structural support, roofing, cladding and weatherproofing, plumbing, electrical and heating/cooling systems.

Of course, contractors performing work funded under ESFRLP are responsible for meeting all local requirements for permits and inspections. All work done under the program must be performed to meet NC State Residential Building Code standards. (This does not mean, however, that the whole house must be brought up to current Building Code Standards.

What About Lead-based Paint?

Until it was discovered to be a health hazard, lead was used for centuries to make house paints. Now we know that lead exposure is a serious problem for everyone and especially small children. Selling lead paint was outlawed in 1978, but many older buildings still contain lead paint and children are still being poisoned.

Under ESFRLP, a lead hazard evaluation must be performed on every home selected for rehabilitation that was built before 1978. The specific type of evaluation and the appropriate lead hazard reduction work performed will depend on the total amount of Federal funds used to rehabilitate the home, as per 24 CFR part 35. If required, lead-based paint hazard reduction and/or abatement will be performed by contractors who are trained and certified to perform such work.

It may be necessary for the household to relocate during the construction process for protection against lead poisoning. If relocation is required, it shall be the responsibility of the homeowner to pay for the relocation.

Who Will Do the Work On the Homes?

Beaufort County is obligated under ESFRLP to ensure that quality work is done at reasonable prices and that all work is contracted through a fair, open and competitive process.

To meet these requirements, Beaufort County will invite bids only from licensed general contractors who are part of an "Approved Contractors Registry". For additional information about procurement and disbursement procedures, please refer to the Beaufort County ESFRLP Procurement and Disbursement Policy for the 2022 Cycle.

- All qualified members of the Approved Contractors Registry will be invited to bid on each job, and the lowest responsive and responsible bidder will be selected for the contract. OR At least three qualified members of the Approved Contractors Registry (on a rotating basis) will be invited to bid on each job, and the lowest responsive and responsible bidder will be selected for the contract.

What Are The Steps In The Process, From Application To Completion?

You now have information about how to apply for the Essential Single-Family Rehabilitation Loan Pool (ESFRLP) and what type of work can be done through the Program. Let's go through the steps for getting the work done:

1. **Completing a pre-application form:** Homeowners who wish to apply for assistance must do so by December 31, 2022. Applicants after this date will be placed on a separate list for a review of qualifications. These applicants will only be served after it is determined that sufficient funds and time remain available once those who applied by the application deadline have been qualified, ranked and their needs determined.] Apply by contacting Lisa Williams, Mid-East Commission, Community Development,

at 252-402-8609 or by email lwilliams@mideastcom.org or visiting Mid-East Commission 1502 N Market Street, Washington, NC 27889 during normal business hours. Proof of ownership, income and special needs will be required. Those who have applied for housing assistance from Beaufort County in the past will not automatically be reconsidered and must complete a new pre-application form.

2. **Client Referral and Support Services:** Many homeowners seeking assistance through the Essential Single-Family Rehabilitation Loan Pool may also need other services. If the ESFRLP staff meet the homeowner during the application process, they will provide pamphlets and a list of the agencies with contact information for the resources and programs available in Beaufort County. For households that meet the requirements of the pre-application step and qualify to receive assistance through the ESFRLP program, additional verbal discussion will be offered during the Screening of applicants and/or Pre-rehab inspection steps of the program. With the homeowner's permission, a case file will be created and a staff person will follow up with the homeowner concerning the available services in the referral network.]

3. **Preliminary inspection:** Beaufort County's Rehabilitation Specialist will visit the homes of eligible households to determine the need and feasibility of the home for rehabilitation. Homeowners must inform staff of any known pest infestations prior to the visit.The City/County/Planning staff has the right to deny an application based on health and safety concerns that may put their staff and/or contractors at risk.]

4. **Screening of applicants:** Applications will be ranked by Beaufort County based on the priority system outlined on page 4 and the feasibility of rehabilitating the house. Households to be offered assistance will be selected by January 31, 2023. Household income will be verified for program purposes only (information will be kept confidential). NCHFA will verify ownership of the property by conducting a title search. From this review, the three most qualified applicants will be chosen according to the priority system described above; there will be a list of two (2) alternates. The remaining applicants will be placed on a list of alternates in the order that they qualified.] Beaufort County will then submit to NCHFA an ESFRLP Loan Application and Reservation Request for each potential borrower for approval. Applicants not selected for ESFRLP assistance will be notified in writing.

5. **Written agreement:** A HOME Owner Agreement, between the homeowner and Beaufort County, will be executed as part of the Loan Application and Reservation Request procedure (that formally commits funds to a dwelling unit). This agreement will certify that the property is the principal residence of the owner, that the post–rehab value of the property will not exceed 95% of the 203(b) limits established by HUD and defines the ESFRLP maximum amount and form of assistance being provided to the homeowner, the scope of work to be performed, the date of completion and the rehabilitation criteria and standards to be met.

6. **Pre-rehab inspection & unit evaluation:** Beaufort County's Rehabilitation Specialist will visit the home again for a more thorough inspection. All parts of the home must be made accessible for inspection, including the attic and crawlspace. The owner should

report any known problems such as electrical short circuits, blinking lights, roof leaks, etc. Each unit will be evaluated for energy-saving opportunities such as air-sealing and duct-sealing as well as for environmental concerns, such as lead based paint hazards, radon and asbestos.

7. **Work write-up:** The Rehabilitation Specialist will prepare complete and detailed work specifications (known as the "work write-up"). A final cost estimate will also be prepared by the Rehabilitation Specialist and held in confidence until bids are received from contractors.

8. **Lead and Other Testing:** Beaufort County will arrange for a certified firm to inspect all pre-1978 constructed homes for potential lead hazards (required) and asbestos hazards (as deemed necessary by the Rehabilitation Specialist in all homes built during, before and after 1978). All homes will be tested for radon. The owner will receive information covering the results of the tests and any corrective actions that will be needed as part of the rehabilitation.

9. **Bidding:** The work write-up and bid documents will be conveyed to all contractors from the Approved Contractors Registry. Contractors will be given no less than seven days in which to inspect the property and prepare bid proposals. Each contractor will need access to all parts of the house in order to prepare a bid. A bid opening will be conducted in the Commissioner's Board Room located at 121 W. Third Street, Washington, NC 27889 at a specified date and time, with all bidders invited to attend a virtual opening of the bids unless other arrangements are made with the County staff.

10. **Contractor selection:** Within 72 hours of the bid opening, the winning bidders will be selected. All bidders and the homeowner will be notified in writing of 1) the selection of the winning bid, 2) the amount of the winning bid, 3) the amount of the County's cost estimate, and 4) the specific reasons for the selection, if other than the lowest bidder was selected.

11. **Loan closing and contract execution:** Loan documents (Promissory Note and Deed of Trust) will be prepared by NCHFA as the lender and executed by the homeowner. By law, homeowners have the right to hire legal representation of their choosing at the loan closing. If a homeowner does not have "representation" at the closing, the borrower must sign a NCHFA "Legal Advice Disclosure". Rehabilitation contract documents will be executed by the homeowner and contractor with Beaufort County signing on as an interested third party prior to the commencement of any construction. Beaufort County will facilitate the loan closing and recordation of these documents and forward the recorded documents to NCHFA.

12. **Pre-construction conference:** A pre-construction conference will be held at the selected applicant's home. At this time, the homeowner, contractor and ESFRLP Beaufort County program representatives will discuss the details of the work to be completed. Starting and ending dates will be finalized, along with any special arrangements such as weekend or evening work hours and disposition of items to be

removed from the home. Beaufort County will issue a "proceed order" formally instructing the contractor to commence work by the agreed-upon date.

13. **Construction:** The contractor is responsible for obtaining and posting all permits for the project before beginning work. Beaufort County ESFRLP Program staff will closely monitor the contractor during the construction period and local Code Enforcement Officials will inspect the work when applicable. To protect personal property, the homeowner will be responsible for working with the contractor toward clearing work areas of personal property as needed as much as practicable. The contractor will be responsible for all clearing and cleaning activities necessary due to construction activities.

14. **Change Orders:** All changes to the scope of work must be approved by the owner, the contractor, Beaufort County's Rehabilitation Specialist, and the Beaufort County Program Administrator and reduced in writing as a contract amendment ("change order"). The owner, contractor and two Beaufort County personnel must execute any change order agreements to the construction contract.

15. **Progress payments:** The contractor is entitled to request up to three partial payments and a final payment. When a payment is requested, the Rehabilitation Specialist will inspect the work within three days.

16. **Closeout:** When the Rehabilitation Specialist and the Homeowner are satisfied that the contract has been fulfilled, the Homeowner, Project Administrator and Rehabilitation Specialist will sign off on the work. All material and workmanship will be guaranteed by the contractor for a period of one-year from the date of completion of the work as established by Beaufort County's approval date of the final pay requisition. Beaufort County will notify the homeowner in writing of this date.

17. **Post-construction conference:** Following construction, the contractor and the Rehabilitation Specialist will sit down with the Homeowner one last time. At this conference the contractor will hand over all owner's manuals and warranties on equipment and materials to the homeowner. The contractor and Rehabilitation Specialist will go over operating and maintenance requirements for the new equipment, materials and appliances and discuss general maintenance of the home with the Homeowner. The Homeowner will have the opportunity to ask any final questions about the work.

18. **Final loan amount determination:** If, upon completion of all rehabilitation work, the contract price has changed due to the effect of change orders and there is a need to modify the loan, NCHFA will prepare an estoppel for a loan reduction or modification agreement for a loan increase as necessary at the time of closeout of the unit. The loan will remain the property of NCHFA, with original documents remaining there for storage and "servicing". Please note that it is the responsibility of the homeowner to record an estoppel if they wish this to be reflected in the Deed of Trust.

19. **The warranty period:** It is extremely important that any problems with the work that was performed be reported by the homeowner to the Beaufort County Rehabilitation Specialist or other representative, as soon as possible in writing. All bona fide defects in materials and workmanship reported within one year of completion of construction will be corrected free of charge by the Contractor.

What are the key dates?

If, after reading this document, you feel that you qualify for this program and wish to apply, please keep the following dates in mind:

- Applications available to the public starting September 30, 2022.
- Applications must be turned in at the Mid-East Commission Office by 5:00 PM on December 31, 2022.
- Selection of units will be made on January 31, 2023.
- All rehabilitation work must be under contract by December 31, 2024
- All rehabilitation work must be completed by June 15, 2025.

How do I request an application?

Contact:

Lisa Williams, Community Development Officer
Mid-East Commission / Beaufort County
1502 N. Market St.
Washington, NC 27889
Phone: (252)402-8609

Or: pick up an application at the Mid-East Commission located at 1502 N. Market Street, Washington, NC 27889.

Is there a procedure for dealing with complaints, disputes, and appeals? Although the application process and rehabilitation guidelines are meant to be as fair as possible, Beaufort County realizes that there is still a chance that some applicants or participants may dispute decisions, work completed or other issues. The following procedures are designed to provide an avenue for resolution of complaints and appeals.

During the application process:

1. If an applicant feels that his/her application was not fairly reviewed or rated and would like to appeal the decision made about it, he/she should contact Anita Radcliff, Finance Officer, within ten days of the initial decision and voice their concern.
2. If the applicant remains dissatisfied with the decision, the detailed complaint should be put into writing. A written appeal must be made within 15 business days of the initial decision on an application.
3. Beaufort County will respond in writing to any complaints or appeals within 15 business days of receiving written comments.

During the rehabilitation process:

1. If the homeowner feels that construction is not being completed according to the contract, he/she must inform the contractor and the Rehabilitation Specialist, preferably in writing.
2. The Rehabilitation Specialist will inspect the work in question. If he finds that the work is not being completed according to the contract, the Rehabilitation Specialist will review the contract with the contractor and ask the contractor to correct the problem.
3. If the Rehabilitation Specialist finds that the work is being completed according to contract, the complaint will be added to the applicant's file. The Rehabilitation Specialist and the homeowner will discuss the concern and the reason for the Rehabilitation Specialist's decision.
4. If problems persist, the homeowner must put the concern in writing and a mediation conference between the homeowner and the contractor may be convened by the Rehabilitation Specialist and facilitated by Beaufort County's Finance Officer.
5. Should the mediation conference fail to resolve the dispute, the Finance Officer will render a written final decision.

Final Appeal:
After following the above procedures, any applicant or homeowner who remains dissatisfied with Beaufort County's final decision may appeal in writing to Michael Handley, NCHFA, PO Box 28066, Raleigh, NC 27611-8066, (919) 877-5627.

Will the personal information provided remain confidential? Yes. All information in applicant files will remain confidential. Access to the information will be provided only to Beaufort County employees who are directly involved in the program, the North Carolina Housing Finance Agency, the US Department of Housing and Urban Development (HUD) and auditors.

What about conflicts of interest? No employee or board member of Beaufort County, or entity contracting with Beaufort County, who exercises any functions or responsibilities with respect to the ESFRLP project shall have any interest, direct or indirect, in any contract or subcontract for work to be performed with project funding, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. Relatives of Beaufort County employees or of Beaufort County board members and others closely identified with Beaufort County, may be approved for rehabilitation assistance only upon public disclosure before the Beaufort County Board of Commissioners and with written permission from NCHFA.

What about favoritism? All activities under ESFRLP, including rating and ranking applications, inviting bids, selecting contractors and resolving complaints, will be conducted in a fair, open and non-discriminatory manner, entirely without regard to race, color, religion, national origin, sex, familial status and disability.

Outreach Efforts of the ESFRLP Program
The County makes citizens aware of the ESFRLP program and other housing rehabilitation opportunities through various service providers and specific outreach efforts. At minimum, the County will advertise or publish an article about the Essential

Single-Family Rehabilitation Loan Pool Program via the following media/venues: the local newspaper serving the County, The Washington Daily News, at senior centers throughout the County, on the local cable news channel, and on the County's website.

Who can I contact about the ESFRLP program? Any questions regarding any part of this application or program should be addressed to:

Anita Radcliff, Financial Officer	Lisa Williams, Community Development
Beaufort County	Mid-East Commission
121 W. Third St.	1502 N. Market St.
Washington, NC 27889	Washington, NC 27889
Phone: (252) 946-0079	Phone (252) 402-8609

This Assistance Policy is adopted this ____day of _____20__

Frankie Waters, Chairman, Beaufort County Board of Commissioners

Attest Katie Mosher, Clerk

report any known problems such as electrical short circuits, blinking lights, roof leaks, etc. Each unit will be evaluated for energy-saving opportunities such as air-sealing and duct-sealing as well as for environmental concerns, such as lead based paint hazards, radon and asbestos.

7. **Work write-up:** The Rehabilitation Specialist will prepare complete and detailed work specifications (known as the "work write-up"). A final cost estimate will also be prepared by the Rehabilitation Specialist and held in confidence until bids are received from contractors.

8. **Lead and Other Testing:** Beaufort County will arrange for a certified firm to inspect all pre-1978 constructed homes for potential lead hazards (required) and asbestos hazards (as deemed necessary by the Rehabilitation Specialist in all homes built during, before and after 1978). All homes will be tested for radon. The owner will receive information covering the results of the tests and any corrective actions that will be needed as part of the rehabilitation.

9. **Bidding:** The work write-up and bid documents will be conveyed to all contractors from the Approved Contractors Registry. Contractors will be given no less than seven days in which to inspect the property and prepare bid proposals. Each contractor will need access to all parts of the house in order to prepare a bid. A bid opening will be conducted in the Commissioner's Board Room located at 121 W. Third Street, Washington, NC 27889 at a specified date and time, with all bidders invited to attend a virtual opening of the bids unless other arrangements are made with the County staff.

10. **Contractor selection:** Within 72 hours of the bid opening, the winning bidders will be selected. All bidders and the homeowner will be notified in writing of 1) the selection of the winning bid, 2) the amount of the winning bid, 3) the amount of the County's cost estimate, and 4) the specific reasons for the selection, if other than the lowest bidder was selected.

11. **Loan closing and contract execution:** Loan documents (Promissory Note and Deed of Trust) will be prepared by NCHFA as the lender and executed by the homeowner. By law, homeowners have the right to hire legal representation of their choosing at the loan closing. If a homeowner does not have "representation" at the closing, the borrower must sign a NCHFA "Legal Advice Disclosure". Rehabilitation contract documents will be executed by the homeowner and contractor with Beaufort County signing on as an interested third party prior to the commencement of any construction. Beaufort County will facilitate the loan closing and recordation of these documents and forward the recorded documents to NCHFA.

12. **Pre-construction conference:** A pre-construction conference will be held at the selected applicant's home. At this time, the homeowner, contractor and ESFRLP Beaufort County program representatives will discuss the details of the work to be completed. Starting and ending dates will be finalized, along with any special arrangements such as weekend or evening work hours and disposition of items to be