



CDBG Owner-Occupied Emergency Housing Rehabilitation Program

Background

The Lebanon City Emergency Housing Rehabilitation Program (EHRP) provides forgivable loans to owner occupied single-family dwellings that are in need of emergency home repairs to correct substandard conditions and code violations that are immediate health and safety hazards. The program is administered but the Lebanon City Community & Economic Development Office.

Program Details

- The property must be located within the Lebanon City limits.
- Mobile homes are not eligible unless attached to a permanent foundation.
- The property must be the primary residence of the owner and a single-family dwelling. (Not a multi-unit/rental property)
- The assessed value of the property must not exceed \$200,000 according to the Lebanon County Assessment Office or current appraisal.
- All utilities and property tax obligations must be current.
- Owner must have homeowners/fire insurance for the life of the loan.
- Owner must have flood insurance if within 100 year flood plain.
- Household income must be equal to or less than the applicable HUD income eligibility limits. Documentation of such must be provided.
- Reside in a dwelling which contains a major housing code violation such as water, sewer, heat related items and other items deemed emergency in nature. General maintenance is not covered.
- The City will conduct an assessment of the property to determine the rehabilitation need with the priority placed on eliminating health and safety hazards and building code violations.
- The repairs will be contracted to a PA licensed contractor.
- All work will be inspected and approved by the contracted inspection services.
- The total amount of assistance will be determined on a case-by-case basis depending on the cost to repair or replace the Emergency condition(s). There is no minimum loan amount, however the maximum loan amount is \$15,000. Applications over \$15,000 may be reviewed; however other requirements may apply.
- Loan must be approved by the City's Loan Committee.

- Eligible applicants may receive a forgivable loan. The forgivable loan will be forgiven over a five-year period, provided that the terms of the mortgage are not violated. Forgiveness will occur at a rate of 20% per year, applied on the anniversary of the signed loan documents. If the property owner sells, transfers ownership, or is otherwise found in violation of the loan terms before the five-year period has ended, the remaining unforgiven balance of the loan will become immediately due and payable. At the conclusion of the five-year term, the property owner must contact the City of Lebanon to satisfy and release the lien.
- Homeowners are only eligible for this program once.

CDBG Income Guidelines

Lebanon City annually receives CDBG funds from the United States Department of Housing and Urban Development (HUD). The primary objective of the CDBG Program, as set forth by Congress, is “the development of viable urban communities, by providing decent housing, a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.” Federal regulations define persons who are low and moderate-income as households earning at or below 80 percent to the area median income, as determined by HUD, adjusted by household size.

Low to moderate income guidelines for the City's Emergency Housing Rehabilitation Program are as follows:

# of persons in the household	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
Maximum Income Limits	52,300	59,750	67,200	74,650	80,650	86,600	92,600	98,550
Not Eligible	52,300 and above	59,750 and above	67,200 and above	74,650 and above	80,650 and above	86,600 and above	92,600 and above	98,550 and above