

Exhibit B – Policies and Procedures for Lead Pipe Replacement

City of Aurora – Policies and Procedures – Single Family Home Lead Pipe Replacement Program

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- 1. Background and Applicability.** The City of Aurora Lead Pipe Replacement Pilot Program provides Community Development Block Grant (CDBG) funds in the amount of up to \$4,999, and in certain circumstances, up to a \$5,000 deferred loan to remove and replace service pipes identified as containing lead. The amount of assistance and type of CDBG funds for eligible homeowners is outlined in Appendix 1 of this document. No grant funds will be awarded to households that do not contain a child under the age of 6, or a household that does not have a household income of less than 80% of the median family income as determined by the City of Aurora. The only eligible pipes to be replaced as part of this program are service line pipes that connect the main utility to the home. Additional pipes found throughout the home that are identified as lead will not be eligible under this program. Surface restoration costs will not be eligible under this program and the responsibility of the household.
- 2. Eligible Housing Type and Ownership.** Housing must be single family housing held in fee simple title and must not be in foreclosure. The land may be owned in fee simple or the homeowner may have a 99-year ground lease. For manufactured housing, the ground lease must be for a period at least equal to the applicable period of compliance/ affordability set forth below. “Single family housing” means a single family home, townhome, condominium unit, cooperative unit, combination of manufactured housing and lot, or manufactured housing lot. A manufactured home dwelling unit may not have wheels, must be affixed to the ground, and may not be licensed as a vehicle under Illinois law. Tenant occupied single family housing will not be eligible for this program. Only owner occupied units will be eligible, and no rental units will be considered for this grant.
- 3. Housing Value.** In lieu of an appraisal, the housing value will be determined by the Fair Cash Value as determined by the County Assessor’s Office the home is located in. The housing purchase price may not exceed 95 percent of the median purchase price for the type of housing for the area as determined and published by the U.S. Department of Housing and Urban Development (HUD) from time to time. The City of Aurora also reserves the right to determine the 95 percent limit following HUD approved methodology, with such newly determined limit to be approved by HUD from time to time for each County the City of Aurora is located in.
- 4. Location of Real Property.** With CDBG funds, the City of Aurora may assist households within the boundaries defined as the city limits of Aurora (the program excludes unincorporated areas). A property that is wholly or in a portion of a designated FEMA

floodplain will not be eligible to participate in this program. This includes incidental portions of the property even if the home itself is not located in a designated floodplain.

- 5. Income Qualification of Household.** The housing must be owned and occupied by a household that meets the income guidelines of low-to moderate-income. In determining the income eligibility of the household, the City of Aurora must include the income of all persons living in the housing. Low–moderate income households are defined as those with incomes that do not exceed 80% of median family income (MFI) for the Chicago metropolitan area as determined annually by the Department of Housing and Urban Development. To calculate household income, the City of Aurora will use the guidelines set forth by HUD using the Income Calculator (24 CFR Part 5 income calculation) provided on the website: <https://www.hudexchange.info/incomecalculator/>
- 6. Determination of Presence and Severity of Lead Pipes.** The City of Aurora – Engineering Division will determine if lead pipes are present and determine the level of severity and need for replacement during the application process.
- 7. Requesting a larger service line.** This program will replace a water service line with the same size line. If the homeowner would like to increase the size of the water service line, the homeowner is responsible for 100% of the increase in costs associated with the modification.
- 8. Inspection.** The condition of the house must be free from life threatening conditions but may contain minor code violations as determined by the City of Aurora Building Code. Aurora staff can allow a qualified City of Aurora official to complete an inspection or request the homeowner produce a property inspection report conducted by a qualified individual. If life threatening conditions are found, the household may apply for funding as part of the Safety First rehabilitation program that is currently administered by the Neighbor Project. For homes constructed before 1978, the City of Aurora will assume lead paint is present and use safe work practices in the event paint is disturbed. Federal funds are not expected to exceed \$25,000, but in the event of this, full lead abatement throughout the home will be required.
- 9. Occupancy.** The housing must remain the principal residence of the homeowner for three years from the date of completion of the project for grants. In the event the homeowner no longer uses the home as their primary residence within the three year covenant term for grants, the City of Aurora will immediately demand repayment of the full loan amount provided by way of CDBG funds for the replacement of lead pipes. For funding that is considered deferred, the full amount of funding is due when the home is no longer owner occupied. In the event the homeowner passes away or the home is placed in a trust, the full amount of the deferred loan will become due.
- 10. Appeal.** Applicant may make a policy appeal by submitting a letter to the Neighborhood Redevelopment Department Division at least 10 days prior to the Block Grant Working Committee meeting which outlines the request for appeal and basis for the request. If the appeal letter is not received by the NRD at least ten days prior to the committee meeting,

the appeal will be delayed until the next meeting of the appropriate committee. Notwithstanding the foregoing, appeals may not be made over items that are regulatory, such as: location of property, value of property, income qualification of household, and occupancy requirement.

Appendix 1 – Single Family Homeowner Priority List and Cost Share

Household Income Level	Terms of Funding (Up to \$4,999)	Household Priority
<30% Median Family Income with children under the age of 6	100% grant up to \$4,999	Priority #1
>30% / <50% Median Family Income with children under the age of 6	100% grant up to \$4,999	Priority #2
>50% / <80% Median Family Income with children under the age of 6	100% grant up to \$4,999	Priority #3
>80% MFI Income is not eligible or does not have a child under the age of 6.	N/A - Home is not eligible	N/A - Home is not eligible

*No priority will be given to households located in the Neighborhood Revitalization Strategy Area. Additional code and safety issues may be referred The Neighbor Project and Rebuilding Together Aurora. Participation in the program will not disqualify the homeowner from utilizing other programs with the Aurora Department of Neighborhood Redevelopment. In certain circumstances, an additional \$5,000 may be awarded as a deferred loan that must be paid back when the home is sold or no longer the primary residence of the homeowner.