

CITY OF WARREN

**COMMUNITY DEVELOPMENT
RESIDENTIAL LEAD HAZARD CONTROL AND
HEALTHY HOMES PROGRAM FOR
SINGLE FAMILY HOUSING**

**PROGRAM DESCRIPTION, ELIGIBILITY
REQUIREMENTS AND PROGRAM PROCEDURES**



**LORI M. STONE
MAYOR**

CITY OF WARREN, MICHIGAN



LORI M. STONE, MAYOR

CLERK

Sonja Buffa

TREASURER

Lorie W. Barnwell

CITY COUNCIL

At Large
Dave Dwyer
Angela Rogensues

District 1

Melody Magee

District 2

John Lafferty

District 3

Mindy Moore

District 4

Gary Boike

District 5

Henry Newnan

DISTRICT JUDGES

John M. Chmura

Steven M. Bieda

Michael C. Chupa

Suzanne L. Faunce

**CITY OF WARREN
LEAD HAZARD CONTROL GRANT PROGRAM
SINGLE FAMILY HOUSING**

PROGRAM DESCRIPTION

Administration

The City's Community Development Department is responsible for administering the City's Lead Hazard Control & Healthy Homes (LHCHH) program. The Community Development Block Grant Technical Committee was established by the Mayor and City Council to assist with the operation of the program. The Committee reviews and approves or disapproves all grant applications and resolves disputes arising from program activities. The Committee also provides advice and oversight regarding all approved LHCHH activities, assists with the development of internal operating procedures, and recommends policy and funding priorities to the Mayor and City Council. This Committee shall hereafter be referred to as the Community Development Committee and may also be referred to in this Program Document as the "Committee". The Committee consists of representatives from various City Departments with backgrounds in planning, finance, law, engineering, and building contracting or allied fields.

In accordance with 41 U.S.C. § 4712, no City agent shall discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any external authoritative or legal body, government agent, or government oversight organization, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.

General Purpose

The City of Warren's Lead Hazard Control and Healthy Homes program makes grants available to eligible "low" and "moderate" income households. These grant funds may only be used to pay for eligible LHCHH work completed at eligible homes. Grants will only be approved if the work that is necessary to make the home lead safe and in compliance with the 1992 Residential Lead-Based Paint Hazard Reduction Act will be completed.

The maximum grant funding applied to residential lead hazard control by the City is \$75,000. If needed for high-cost units, with special permission from HUD, the maximum grant may be increased. Additions to the approved grant amount(s) will only be granted when structural, mechanical, or electrical changes due to circumstances unforeseen at the time of the original write-up (hidden defects) are necessary to address lead-based paint hazards.

Applications for grants are processed in the order they are received. Households with a child having an elevated blood lead level above 3.5 mg/dl will be given priority and the application will receive priority processing.

Applicants—whether homeowner-occupants, tenants, or landlords—must agree to provide the City of Warren and/or HUD with any information requested in order to verify compliance with the program requirements.

Units eligible for this program are also eligible to receive a supplemental grant from Healthy Homes. The Healthy Home grant funds are used to address specific items to improve the health and safety of the home.

Schedule of Low- and Moderate-Income Limits

The schedule of low- and moderate-income limits adjusted for household size for the City of Warren as published by the Department of Housing and Urban Development (HUD) for the year 2026 is presented below. The income schedule is updated periodically by HUD.

FY 2026 Income Limits Summary

Household Size	<u>Household Income</u>	
	Low (50% AMI)	Moderate (80% AMI)
1	\$36,700	\$58,700
2	41,950	67,100
3	47,200	75,500
4	52,400	83,850
5	56,600	90,600
6	60,800	97,300
7	65,000	104,000
8	69,200	110,700

For owner-occupied housing, assisted households must be of moderate-income or lower, defined as no greater than 80% of the area median income (AMI). For rental housing, at least half of the units served must be occupied by or made available to low-income households, defined as no greater than 50% of the AMI. The remaining rental units must be occupied or made available to moderate-income households, defined as no greater than 80% of the AMI.

Grant Conditions and Terms

Once a household/residential unit is found eligible for the program, the City will order a lead inspection/risk assessment and perform a Healthy Homes inspection, if necessary. Once specifications are finalized, the City shall assign the work to a qualified contractor, pre-approved by the City.

All grant recipients must pay their property taxes when due and keep the home insured against any loss for the duration of the work performed. Grant recipients must also maintain the unit in reasonable condition.

Individual change orders for additional work exceeding \$2,500 must be approved by the Committee. In addition, any change which will increase the approved lead hazard abatement work to an amount exceeding \$75,000 must be approved by HUD, as will any change which will increase the approved Healthy Homes work to an amount exceeding \$30,000.

Units wherein lead-based paint hazards are present solely within a detached garage or on a ceramic bathtub and/or ceramic tiles may not qualify for the program. Similarly, should only a dust-lead hazard exist, the property is not eligible for Lead Hazard Reduction funds.

Owner-occupant households must feature either: 1) a child under 6 years of age for at least a significant amount of time weekly, or 2) a pregnant woman full-time. “Significant time,” as it relates to this program, refers to no fewer than 60 hours over a 12-month period.

Owners of rental units undergoing this program must contribute a 10% copay on **lead-hazard abatement work** to be performed on the property. For example, abatement work totaling \$15,000 will require a \$1,500 copay by landlord, to be held in escrow by the City until contractor payment is due.

Rental properties eligible for program assistance may be vacant or tenant-occupied, and the property owner(s) must agree to prioritize renting the unit to income-eligible households with a child under the age of 6 for a period no shorter than 3 years, starting on the date which the property received its final lead clearance inspection. Prior to signing a grant agreement or contract for the LHCHH work to be performed, the property owner(s) must pledge in writing to 1) comply with this requirement and 2) sign a promissory note, on or shortly after the date a “passing” clearance report is received by City staff, in which they acknowledge an obligation to repay program funds in the event of noncompliance during the 3-year window. Property owners who do not cooperate with this requirement shall be found in violation of program requirements, which may nullify a pending or existing contract and/or require repayment to the City of Warren. For tenant-occupied housing, household income requirements apply.

ELIGIBILITY REQUIREMENTS

Household

The following criteria are considered in determining household eligibility:

1. The household must be Low or Moderate income.
 - a) A Low income household is one with an income at or below 50 percent of Median Area Income adjusted for household size (Median Area Income is determined by HUD and revised periodically). See above schedule of low- and moderate-income limits.
 - b) A Moderate income household is one with an income between 51 and 80 percent of Median Area Income adjusted for household size. See above schedule of low and moderate income limits.

Income, as defined for this program, includes the earnings of all household members, except minor children and full-time students, and other income regularly received by all household members, including but not limited to, gross employment wages, pensions, disability payments, social security, annuities, and child support; net income from self-employment, real estate, stocks, bonds, and royalties; and actual income from liquid assets, such as interest earnings, as well as regular or recurring cash deposits or transfers from peer-to-peer financial technology services (e.g., Zelle, Venmo, CashApp, etc.).

At a minimum, the following information will be used to verify income for **all** household members 18 and older who are not full-time students; the City may require additional information in order to document that the household meets the income requirements for this program:

- Paycheck stubs, as applicable, for at least the thirty (30) day period prior to application
- The previous year’s completed federal and state tax returns (including W-2 forms, Michigan Homestead Property Tax Credit forms, if applicable, and all other schedules)

- All sources of periodic income, verified in writing
 - The most recent monthly statement for **all** bank and/or credit union accounts, including mobile banking institution statements (NOTE: program staff may request further monthly account statements should they be necessary for adequately calculating income)
 - The average 6-month balance for **all** checking accounts, verified either by statements or a Verification of Assets on Deposits form completed by the financial institution(s)
2. A child under the age of 6 with or without and EBL at or above 5mg/dl must reside in owner-occupied households. A certified statement will be required to document the age of the children. This statement may be provided by the Macomb County Health Department or by a copy of the child's birth certificate. Homes occupied by pregnant women are eligible, however the unborn child is not counted towards household size in income determination.
 3. Vacant rental units may be assisted provided the landlord agrees, in writing, to give priority to families with children under 6 for not less than 3 years following the completion of work. Renter-occupied units without children under 6 may be assisted, provided current tenants are income-eligible and that the landlord gives priority in renting assisted units, for not less than 3 years from the date of the completion of lead hazard abatement activities, to families with a child under the age of 6 years.
 4. Applicants must own or rent the home to be rehabilitated. Exemptions to the qualification as homeowner for homeowner rehab program can be found at 92.254 but include the following:
 - Inherited property with multiple owners
 - Life Estate
 - Living Trust
 - Beneficiary Deed
 - Land Contract
 5. The property taxes must be current.
 6. The program is open to U.S. Citizens, U.S. Nationals, and Qualified "Permanent Resident" Aliens, as defined under USCA 1641. To verify policy compliance, the City shall document legal U.S. occupancy of all title-holders. Domestic-born title-holders must, at a minimum, provide a valid U.S. birth certificate to satisfy this requirement. Foreign-born title-holders must provide their full legal names, as well as at least **one** unique identifier **each**, prior to program approval. A unique identifier is any of the following:
 - USCIS/Alien Registration number
 - Form I-94, Arrival/Departure Record number
 - Student and Exchange Visitor Information System (SEVIS) ID number
 - Naturalization/Citizenship Certificate number
 - Card Number/I-797 Receipt number
 - Social Security Number

The City will require that the applicant provide any documentation needed to comply with this requirement.

Property

The following criteria are considered in determining property loan eligibility:

1. The home must be in “substandard condition but suitable for rehabilitation” as defined in the City of Warren Housing and Community Development Consolidated Plan adopted by the Warren City Council.
2. The following environmental criteria must be met:
 - a. The property must be zoned R-1-A, R-1-B, R-1-C or R-1-P.
 - b. The City’s short-term plans for the area, as determined by the Planning Director, must call for continued residential use of the property on which the home is located.
 - c. Clearance from the State Historic Preservation Officer must be obtained if the home is 50 years or older.
 - d. Clearance from the appropriate local agency must be obtained if the home is in the Village Historic District.
 - e. The home may not be located in a 100-year flood plain as identified on the Federal Flood Insurance Rate Maps for the City of Warren.
 - f. The home must reside further than the maximum acceptable separation distance from any nearby thermal/explosive hazard, as determined by the City of Warren’s Fire Marshal.
 - g. The property must be used as a single-family home.
3. The property must be insured against loss by fire or hazard evidenced by a Standard Fee and Extended Coverage insurance policy in an amount equal to the lesser of all liens secured by the property or one hundred percent (100%) of the value of the rehabilitated property. A copy of the property insurance policy must be delivered to the City.
4. The property must be reasonably clean and free of clutter (as determined by the Rehabilitation Inspector) to a) allow for proper inspection of all painted surfaces to detect the presence of lead-based paint and lead-based paint hazards, b) protect the occupants and their possessions from lead-based paint dust and debris that might be generated by the lead hazard control work, c) facilitate the completion of the lead hazard control work, d) facilitate the cleaning of the home after the lead hazard control work is complete, and e) allow the clearance examination to be properly conducted.
5. In regards to the Michigan Medical Marijuana Act, MCL 333.26421, et. seq. Homeowners with an occupant that is a Registered Qualifying Patient (Patient/Caregiver), as defined in the Act, interested in undergoing the program must follow the requirements in the City of Warren Ordinance No. 80-737 regarding Medical Marijuana. Homeowners must first complete the following items before being considered for a grant: a) Submit an Administrative Safety Registration application to the Building Department and pay applicable fees, b) Complete all necessary inspections, c) Make any needed repairs or improvements to the home to safely accommodate the growth and or cultivation of marijuana (as deemed necessary by Building and or Fire Officials), and d) Remain in compliance with ordinance requirements for the duration of the grant term. This program is made possible by funding from the US Department of Housing

and Urban Development (HUD). These HUD funds cannot be used to assist in the growth or cultivation of marijuana.

Lead hazard control Work

All work required to bring the property into compliance with the 1992 Residential Lead-Based Paint Hazard Reduction Act must be covered in the specifications before general improvements may be undertaken. Where necessary throughout the course of work, consideration shall also be given to the implementing regulations of the Environmental Protection Agency (EPA), Occupational Safety and Health Administration (OSHA), the Department of Housing and Urban Development (HUD) and the City's Property Maintenance Code.

Ineligible activities include the following:

1. New construction, substantial reconstruction, or expansion of the structure
2. Materials, fixtures, equipment or landscaping of a type or quality which exceeds that customarily used in the locality for properties of the same general type as the property being rehabilitated.
3. Acquisition of land.
4. Payment of back taxes, water bills, special assessments, etc.
5. Installation of luxury items, such as swimming pools and decks.
6. Costs of equipment, furnishings, or other personal property which are not integral structural fixtures, such as window air conditioners and appliances. (Washer, dryer, dishwasher, etc.)
7. Labor costs for homeowners to rehabilitate their own property.
8. Finish painting.
8. Custom finishes including but not limited to the following: Granite countertops, ceramic tile flooring, custom or high end cabinetry/millwork, hard wood flooring or refinishing, laminate flooring, carpeting, and faucets or fixtures beyond a standard design.
9. Basement remodeling including but not limited to the following: Inserting egress windows, installing drop ceilings, and the addition of rooms.

PROGRAM PROCEDURES

The City's Community Development staff is responsible for processing all applications for Lead Hazard Control & Healthy Homes Grants. The processing of each application consists of the following:

1. Staff will review all applications and gather the information needed to document household and property eligibility.
2. If the household and/or property is found to be ineligible, staff will prepare a summary report of the applicant's ineligibility. This report will be presented to the City's Community Development Committee with a recommendation that the case be cancelled.

3. If the household and/or property are found to be eligible, staff will order a lead-based paint evaluation to determine if any lead-based paint hazards exist or will be created by the proposed lead hazard control work. Lead-based paint that is intact and in good condition that is not on a friction or an impact surface is not a hazard. Dust and soil containing lead above federal regulatory limits established by HUD are also considered lead-based paint hazards.
4. Staff will assess the property to identify any needed Healthy Homes improvements.
5. Staff will consult with the owner and tenant, where applicable, to explain what lead hazard work is specified and what Healthy Homes improvements have been identified.
6. Staff will prepare lead hazard control specifications based on the inspection reports, lead-based paint evaluation report, and Healthy Homes assessment.
7. Staff will obtain the owners concurrence before proceeding with assigning a contractor from the City's rotating list of previously-vetted and approved firms.
8. Staff will prepare a summary report of the applicant's eligibility for a grant, the lead-based paint evaluation report, the lead hazard control and Healthy Homes work proposed, and the grant amount requested. This report will be presented to the Community Development Committee for approval. The Committee will review this report and either approve or disapprove the grant application for cause. The Committee, upon thorough review of an application, may waive procedural guidelines and eligibility requirements that do not violate any local, state or federal code, regulation, or ordinance.
9. At any time prior to the execution of a lead hazard control contract, the owner may request that their case be cancelled.

Execution of Grant and Contract Documents.

Staff will prepare and oversee the execution of the grant documents. The contract for the specified work shall correspond directly with a case-specific grant made by the City of Warren and will be between the owner and the contractor. Staff will assist with the preparation and execution of contract documents.

Monitoring and Approving Work.

The owner and/or tenant must allow City inspectors and the contractor reasonable access to the home. City staff will monitor progress of the lead work.

Contractors will be required to obtain building permits and final inspection approvals as required by City ordinance. In addition, the owner and staff must approve the work before grant funds will be released to the contractor.

HUD may also request permission to inspect the home after the lead hazard control is complete in order to verify that the work is in compliance with all applicable requirements.

Release of Grant Funds to the Contractor.

After the work is completed, clearance has been achieved, and approvals have been received from the Building Department, staff, owner, and/or tenant, an invoice will be submitted to the Committee. The Committee will review the invoice amount and either approve or disapprove for cause forwarding the invoice to City Council for payment.

Dispute Resolution.

The Committee also has the authority to hear and resolve disputes arising out of the program activities. Staff will prepare a summary of the dispute for the Committee's review and the parties to the dispute will be invited to appear before the Committee.

Financial Hardships (Rental Units Only).

It is the responsibility of the landlord grant recipients to notify the City of any financial hardships during the 3-year period during which priority renting is to be given to families with a child under 6.

Sale of Property during 3-Year Marketing Period (Rental Units Only)

Should the landlord of a property which has been assisted by the City's Lead Hazard Control and Healthy Homes program decide to sell said property during the 3-year marketability period, they must make a reasonable effort to pass along the program requirements (including the 3-year priority marketing requirement) to the new landlord.

CONTRACTOR ELIGIBILITY AND JOB ASSIGNMENT

At the present time, qualified contractors must meet the following criteria:

1. Must be licensed as residential builders by the State of Michigan.
2. Must also be licensed as lead abatement contractors by the State of Michigan with access to State-certified lead supervisors and workers.
3. Must be certified by the EPA for Residential Repair and Paint (RRP), use certified renovators, and follow lead-safe work practices.
4. Must carry general liability, automobile liability and workers compensation with minimum coverage limits determined by the City's Risk Manager.
5. Must provide professional references. (Unsatisfactory references based on past performance are reasons for disqualification).
6. Must maintain active status on the System for Award Management (SAM). Active status assures that the contractor is not on the HUD debarred contractor list.
7. Must complete Section 3 paperwork as applicable.

The City maintains a list of qualified contractors and shall assign one to a Lead Hazard Control and Healthy Homes job on a rotating basis. If the contractor in line turns down a particular job, the offer goes to the next contractor in the usual progression, and subsequent jobs also follow that progression. New contractors may apply at any time, and they must meet the criteria listed above and agree to the City's established pricing schedule, which will be updated every 2 years.

COMPLIANCE WITH RESIDENTIAL LEAD BASED PAINT HAZARD REDUCTION REGULATIONS

If the home to be rehabilitated was constructed in 1978 or later, no lead hazard control work will be done. All homes constructed before 1978 must have a paint inspection and risk assessment (of the entire house including the exterior) to identify the presence of lead-based paint and lead-based paint hazards or all painted surfaces in the home may be assumed to contain lead.

The following definitions are used by the City to ensure compliance with the Lead-Based Paint Hazard Reduction Regulations:

Lead-based paint hazard: any condition that causes exposure to lead from lead-dust hazards, soil-lead hazards, or lead-based paint that is deteriorated or present on chewable surfaces, friction surfaces, or impact surfaces, and that would result in adverse human health hazards. Lead-based paint hazards may also include surfaces with lead-based paint in good condition that will be disturbed by other rehabilitation work (ex. replacement of kitchen cabinets disturbing lead-based paint on the soffit).

Risk assessment: an on-site investigation to determine the existence, nature, severity, and location of lead-based paint hazards; and the provision of a report by the individual or firm conducting the risk assessment explaining the results of the investigation and options for reducing lead-based paint hazards.

If a risk assessment is conducted and no lead-based paint hazards are found, there are no special requirements related to lead-based paint hazard reduction which apply to the work.

If lead-based paint hazards are found or assumed to be present, the hazards must be addressed as part of the lead hazard control work. The work must be completed following “safe work practices”.

A State certified lead abatement contractor using State certified lead workers and supervisors must complete all abatement activities, regardless of the total cost of the job.

Interim controls: temporary measures used to address lead-based paint hazards. They include paint stabilization.

Paint Stabilization: repairing any physical defect in the substrate of a painted surface that is causing paint deterioration, removing loose paint and other material from the surface to be treated, and applying a new protective coating or paint.

Abatement: any set of measures designed to permanently (last 20 years or more) eliminate lead-based paint hazards. Abatement includes the removal of lead-based paint and dust-lead hazards (stripping paint and repainting), the permanent enclosure or encapsulation of lead-based paint (siding), the replacement of components or fixtures painted with lead-based paint (window replacement), and the removal or permanent covering of soil-lead hazards; and all preparation, cleanup, disposal, and post abatement clearance testing activities associated with such measures

Safe Work Practices: include occupant protection, special work site preparation, and specialized cleaning. Occupants are never permitted to enter a room or hallway where work is being performed if lead-based paint that will be disturbed is known or assumed to be present. The work area must be contained to prevent dust generated by the work from migrating to the rest of the house during the work, cleanup and clearance. The occupants may not reenter the area until the work site passes and repainting), the permanent enclosure or encapsulation of lead-based paint (siding), the replacement of components or fixtures painted with lead-based paint (window replacement), and the removal or permanent covering of soil-lead hazards; and all preparation, cleanup, disposal, and post abatement clearance testing activities associated with such measures.

Occupancy during lead work: for the protection of the household, federal regulations prohibit the occupancy of areas where lead abatement or interim control work is occurring until the entire house passes clearance examination. Occupants whose dwelling unit is undergoing lead hazard control activities are responsible for finding temporary relocation. Only in the extreme circumstances will the

City of Warren pay to relocate a family to a lead safe facility. When temporary relocation is required, the staff explores the various options available to the occupant, based upon needs expressed and expenses that will be incurred. The need for relocation must be justified and documented for those in owner occupied dwellings.

Clearance: an examination to ensure that there has been satisfactory cleanup of dust, paint chips and other debris. Clearance involves a visual assessment to assure that there aren't any deteriorated paint surfaces or visible amounts of dust or debris remaining on the property after lead hazard control, and dust testing to assure that the standards for lead in dust have been complied with. Dust testing cannot occur until the house has passed the visual assessment.

If dust lead levels equal or exceed the standards, there must be another cleaning of the spaces and surfaces represented by the failing dust samples. The clearance must be done by a person who did not perform the work and who is certified by the State. The clearance examiner must prepare and sign a report documenting that the house passed clearance examination.