



# CITY OF NORCO HOUSING ASSISTANCE PROGRAMS GUIDELINES AND APPLICATION

The City of Norco offers numerous programs for home improvement for **owner-occupants of single family dwellings** within the boundaries of the City. All grants and loans are offered on a first-come, first-served basis.

To be eligible to participate, homeowners must have incomes equal to or lower than the following income guidelines established by the California Department of Housing and Community Development. The following table illustrates the total maximum gross income per household with corresponding programs.

### NORCO/RIVERSIDE COUNTY\* HOUSING PROGRAMS INCOME\*\* QUALIFICATION CHART

	“A”	“B”
Number of Persons	Lower (51-80%)	Very Low (0-50%)
1	\$37,750	\$23,600
2	43,150	27,000
3	48,550	30,350
4	53,900	33,700
5	58,250	36,400
6	62,550	39,100
7	66,850	41,800
8	71,150	44,500

\*Source: U.S. Dept. of Housing and Urban Development, California Department of Housing and Community Development. *Effective: April 2018*

\*\*Combined incomes for all persons living in dwelling, including retirement income such as Social Security pension.

<b>Emergency Repair Grant</b>	<b>Income Category “A &amp; B”</b>
<b>Home Improvement Grant</b>	<b>Income Category “A &amp; B”</b>
<b>Deferred Payment Loan (DPL)</b>	<b>Income Category “A &amp; B”</b>
<b>Lead &amp; Asbestos Remediation Grant</b>	<b>Income Category “A &amp; B”</b>
<b>Utility Bill Assistance</b>	<b>Income Category “A &amp; B”</b>

If you have any questions, please contact the Housing Division at (951) 270-5625 or by email at [housingdesk@ci.norco.ca.us](mailto:housingdesk@ci.norco.ca.us).

## **EMERGENCY REPAIR GRANT**

These grants are for specific emergency repairs up to \$5,000 to address immediate health and safety hazards. The Emergency Repair Grant is not generally used for general home improvements. A one-year covenant is placed on the property that requires repayment of the full amount of the grant if the property is sold, refinanced, transferred, or is otherwise non-compliant with the program requirements during that time. Non-compliance includes failure by the participating homeowner to occupy the property as his/her principal residence.

Conditions for Emergency Repair Grant: The property must be in need of immediate repairs to correct the following:

- ✓ No heating unit or inoperative heating unit (winter);
- ✓ No hot or cold running water;
- ✓ Inoperative water heater;
- ✓ Broken or clogged waste line;
- ✓ Failed septic system;
- ✓ Deteriorated water lines resulting in damage caused by leakage;
- ✓ Broken or cracked gas line;
- ✓ Systems of wiring which constitute a fire hazard, are unsafe, or are otherwise dangerous to human life;
- ✓ Lack of operating window or door locks;
- ✓ Emergency roof repair (visible signs of leakage or interior water damage); and/or other immediate health and/or safety risks.

## **HOME IMPROVEMENT GRANT**

These grants are available for exterior and/or interior repairs and improvements of up to \$10,000 for eligible owner-occupants over the age of 62, or households where the head of household or spouse are handicapped and/or disabled. They are available when repairs or improvements can be made for under the \$10,000 grant amount.

If the code compliance or other health and/or safety repairs would exceed the grant amount, then participants will be required to fund the remaining improvements with their own funds or participate in the City's interest-free Deferred Payment Loan (DPL) Program. A one-year covenant is placed on the property that requires repayment of one-half of the value of the grant if the property is sold, refinanced, transferred, or otherwise non-compliant with program requirements during that time. Non-compliance includes failure by the participating homeowner to occupy the property as his/her principal residence.

Conditions for Home Improvement Grant: The property must be in need of repairs to correct the following:

- ✓ Correct existing nonconforming local and/or state code requirements;
- ✓ Correct existing local and/or state code violations;
- ✓ Correct existing nonconforming development standards;
- ✓ Protect structural integrity of the property;
- ✓ Promote City safety;
- ✓ Improve safety and security;

- ✓ Improve energy efficiency and water conservation;
- ✓ Connect to City sewer system from septic system;
- ✓ Improve interior/exterior conditions; and/or
- ✓ Provide home modifications for the physically disabled and elderly.

## **DEFERRED PAYMENT LOAN (DPL)**

This program covers exterior and/or interior repairs and improvements of up to **\$40,000**.

Zero percent (0%) interest loans are available to eligible owner-occupants. **Repayment of the principal on the 0% interest loan is deferred until sale, transfer, refinance of the property, or non-compliance with program requirements.**

Noncompliance includes failure by the participating homeowner to occupy the property as his/her principal residence.

Additional loan funding of up to 50% of the maximum loan amount (\$40,000 x 50% = \$20,000 additional) may be approved by the City Manager for homeowners required to correct major code deficiencies, or in extenuating circumstances. This additional loan funding, if approved, would enable the homeowner to correct the code deficiencies and still complete some general property improvements.

Loans are secured by a Deed of Trust recorded against the property title and a Declaration of Covenants, Conditions, & Restrictions (CC&Rs) will be recorded against the assisted property.

Conditions for Deferred Payment Loan: The property must be in need of repairs to correct the following:

- ✓ Correct existing nonconforming local and/or state code requirements;
- ✓ Correct existing local and/or state code violations;
- ✓ Correct existing nonconforming development standards;
- ✓ Protect structural integrity of the property;
- ✓ Promote City safety;
- ✓ Connect to City sewer system;
- ✓ Improve energy efficiency and water conservation;
- ✓ Improve exterior/interior conditions;
- ✓ Provide home modifications for the physically disabled and elderly;
- ✓ Address overcrowded living conditions; and/or
- ✓ Enhance aesthetic appeal of the property.

## **LEAD AND ASBESTOS REMEDIATION GRANT**

Grants are available to eligible homeowners of qualified units who are participating in one or more of the City's housing assistance programs, including emergency repair grants, home improvement grants and deferred payment loans. This grant must be used for lead and/or asbestos remediation related to work that is authorized under one of the City's housing rehabilitation programs.

The grant amount is dependent on lead and/or asbestos remediation required as a result of a combined test/risk assessment performed for the dwelling; however, the total grant shall not exceed \$10,000 per dwelling. The grant amount also includes any relocation required while remediation is taking place.

### **UTILITY BILL ASSISTANCE PROGRAM**

This program provides discounts of low- and very-low income households. *There is a separate application for this program and participants are required to re-apply annually.*

**NOTE: APPLICATION FOR PARTICIPATION, WORK WRITE-UP, BIDS, CONTRACTOR SELECTION AND WORK MUST ALL BE APPROVED IN ADVANCE IN ACCORDANCE WITH THESE PROGRAM GUIDELINES IN ORDER TO BE ELIGIBLE FOR ASSISTANCE. WORK COMPLETED BY HOMEOWNERS PRIOR TO APPLICATION IS NOT ELIBIGLE FOR REIMBURSEMENT.**

#### **MAIL OR RETURN COMPLETED APPLICATIONS TO:**

City of Norco Housing Division  
2870 Clark Avenue  
Norco, CA 92860



## APPLICANT CHECKLIST

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Along with your application, you must provide copies of the following items:

- Copy of Drivers License or I.D. Card of each person on title and *each household member eighteen (18) years or older*
- Verification of income of all household members such as prior year federal tax returns with all W-2's, three recent paycheck stubs, Social Security award letter, etc.
- Most current and consecutive 6 months of checking account statements.
- Most current and consecutive 2 months of savings account statements.
- Most current and consecutive 3 months of retirement account statements.
- Copy of current Mortgage Statement.
- Copy of recorded Deed of Trust (first lien).
- Copy of current Property Tax Statement.
- Current copy of Hazard Insurance Declaration page.
- Copy of current electricity bill.
- If self-employed, please provide most current 3 years of federal tax returns with all attachments along with current Profit & Loss Statement.

If you have any questions, please contact the Housing Division at (951) 270-5625 or by email at [housingdesk@ci.norco.ca.us](mailto:housingdesk@ci.norco.ca.us).

**IMPORTANT: MAKE SURE ALL PAGES THAT REQUIRE SIGNATURES ARE SIGNED, OR THE PROCESSING OF YOUR APPLICATION MAY BE DELAYED.**



## APPLICATION QUESTIONNAIRE HOUSING ASSISTANCE PROGRAMS

**Please provide answers to the following questions. Submitting this application does not constitute an expressed or implied offer for a grant or loan.**

**CHECK THE PROGRAM(S) YOU ARE APPLYING FOR:**

- |   |  |
|---|--|
| <input type="checkbox"/> Deferred Payment Loan  | <input type="checkbox"/> Lead & Asbestos Remediation Grant |
| <input type="checkbox"/> Emergency Repair Grant | <input type="checkbox"/> Home Improvement Grant            |

**NAME OF APPLICANT(S):** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_ **Female Head of Household?** \_\_\_ Yes \_\_\_ No

**TELEPHONE #:** \_\_\_\_\_ **SOCIAL SECURITY #:** \_\_\_\_\_

**SOCIAL SECURITY #:** \_\_\_\_\_

**NAME(S) AND AGE(S) OF ALL HOUSEHOLD MEMBERS:**

Name(s)	Relationship	Age	Household Income

**TOTAL HOUSHOLD INCOME:** \_\_\_\_\_

**Handicapped or Disabled?** \_\_\_ Yes \_\_\_ No      **AGE(S):** \_\_\_\_\_

1. Do you own the property requiring rehabilitation? Yes \_\_\_ No \_\_\_  
Is anybody on Title with you? If so, who?  
\_\_\_\_\_
2. Is the property to be rehabilitated owner-occupied? Yes \_\_\_ No \_\_\_
3. How long have you owned this property? \_\_\_\_\_ year(s)
4. Is the property located in the City of Norco? Yes \_\_\_ No \_\_\_
5. Approximate worth/value of property: \$\_\_\_\_\_ (appraised value or estimate)
6. What is the total amount owed on the property including trust deed, tax liens, and mechanics liens? \$\_\_\_\_\_
7. Is there a second mortgage or lien on the property? Yes \_\_\_ No \_\_\_

8. Are you behind on any of your payments? Yes \_\_\_ No\_\_\_
9. If yes to "8," how far behind are you? \_\_\_ Months
10. Are you in default (NOD) or foreclosure? Yes \_\_\_ No\_\_\_
11. Have you ever had a housing loan or grant with the City of Norco? Yes \_\_\_ No\_\_\_  
If so, when? \_\_\_\_\_
12. What type of work does your property need? (Please list all code violations and any general property improvements you would like to have completed):  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
13. Are any of these repairs of an emergency nature? Yes \_\_\_ No \_\_\_  
If so, which ones?  
\_\_\_\_\_  
\_\_\_\_\_
14. Do you own any other property? Yes \_\_\_ No\_\_\_
15. **What is the total combined gross income of all your household members? \$\_\_\_\_\_ per month. Income information will be verified. Using fraud to receive public funds is in violation of the law. Violators will be prosecuted.**

### DEMOGRAPHIC DATA

	RACE CATEGORIES	CHECK ONLY ONE RACE CATEGORY
1	American Indian <i>or</i> Alaska Native	
2	Asian	
3	Black <i>or</i> African American	
4	Native Hawaiian <i>or</i> Other Pacific Islander	
5	White	
6	American Indian <i>or</i> Alaska Native <i>and</i> White	
7	Asian <i>and</i> White	
8	Black <i>or</i> African American <i>and</i> White	
9	American Indian <i>or</i> Alaska Native <i>and</i> Black <i>or</i> African American	
10	Other	

All application information is true and correct to the best of my knowledge.

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Co-Applicant

\_\_\_\_\_  
Date



## DECLARATION OF ASSETS

APPLICANT: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

OTHER REAL PROPERTY OWNED:

ADDRESS	MARKET VALUE	BALANCE OWED
1.		
2.		
3.		

STOCKS, BONDS, PENSIONS, KEOGH, IRAS, CARS (EXCLUDE ONE CAR) AND OTHER MISCELLANEOUS ASSETS AND VALUE (ATTACH ADDENDA IF NECESSARY):

TYPE	MARKET VALUE	COMMISSIONS OWED
1.		
2.		
3.		
4.		
5.		
6.		

*I/We certify that the above information represents my/our present asset position. If there are any changes in the above information prior to the funding of Program assistance, I/we agree to notify the City of Norco immediately.*

\_\_\_\_\_  
Owner Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Owner/other adult Signature

\_\_\_\_\_  
Date



**EXHIBIT A**  
**CITY OF NORCO**  
**HOUSING ASSISTANCE PROGRAMS**

**Written Acknowledgement of Receipt of LBP Pamphlet**

I have received a copy of the pamphlet “**Renovate Right: Important Lead Hazards Information for Families, Child Care Providers and Schools,**” informing me of the potential risk of lead hazard exposure from renovation activity to be performed in my home. I received this pamphlet before the work began.

\_\_\_\_\_  
Owner Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Property Address: \_\_\_\_\_

**EXHIBIT B**  
**CITY OF NORCO**  
**HOUSING ASSISTANCE PROGRAMS**

**Conflict of Interest Disclosure**

As a prospective applicant for the City of Norco's Housing Assistance Programs, I understand that I must disclose my relationship with other persons who may be associated with the City. I, therefore, bear witness to the following:

\_\_\_\_\_ To the best of my knowledge, I am not aware of any current City of Norco official, employee, board member, commissioner, councilmember and/or other representative of the City who is related to me.

\_\_\_\_\_ I am related to a current City of Norco official, employee, board member, commissioner, councilmember and/or other representative of the City.

His/Her name is \_\_\_\_\_

This person is associated with the City in the capacity of: \_\_\_\_\_

The relationship of this person is: (specify Relationship): \_\_\_\_\_

I hereby attest that the above information is true and correct.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**EXHIBIT C**  
**CITY OF NORCO**  
**HOUSING ASSISTANCE PROGRAMS**

**Cost-Effective Energy Conservation Standards**

Dear Applicant:

Because of recent federal regulations, we are now required to notify owners of all residential properties rehabilitated under the Norco's Housing Assistance Programs of Cost Effective Energy Conservation Standards. This means, simply, that in addition to those improvements you wish to do to your property, you agree also to do the following (if not already done):

1. Doors and windows should be weather-stripped if inadequate or nonexistent.
2. Caulk, gasket, or otherwise seal all openings, cracks, or joints in the building envelope when existing materials are inadequate. Replace all loose or brittle caulking with new elastomeric material. Leave bottom edge of siding un-caulked to allow moisture drainage.

In addition, you may want to install insulation where particular housing elements are to be exposed or made accessible as part of the rehabilitation to be performed.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date

**EXHIBIT D**  
**CITY OF NORCO**  
**HOUSING ASSISTANCE PROGRAMS**

**Anti-Discrimination Act Disclosure**

**TO APPLICANTS REQUESTING FINANCIAL ASSISTANCE FOR REHABILITATION OR IMPROVEMENT OF HOUSING ACCOMMODATIONS:**

Under the Housing Financial Discrimination Act of 1977, it is unlawful for the City of Norco To:

1. Discriminate in the availability of, or in the position of, financial assistance for the purpose of rehabilitating or improving existing housing accommodations in whole or in part, to the consideration of conditions, characteristics, or trends in the neighborhood or geographic area surrounding the housing accommodation, unless the City can demonstrate that such consideration in the particular case is required to avoid an unsafe and unsound business practice.
2. Discriminate in the availability of, or in the provision of, financial assistance for the purpose of rehabilitation or improving existing housing accommodations due, in whole or in part, to the consideration of race, color, religion, sex, marital status, national origin, or ancestry.
3. Consider the racial, ethnic, religious, or national original composition of a neighborhood or geographic area surrounding a housing accommodation or whether or not such composition is undergoing change, or is expected to undergo change, in appraising a housing accommodation or in determining whether or not, and under what terms and conditions, to provide financial assistance for the purpose rehabilitating or improving existing housing accommodation.
4. Use appraisal practices that are inconsistent with the provision of the Housing Financial Discrimination Act of 1977.

The Housing Financial Discrimination Act of 1977 does not, however, require the City to provide financial assistance if it is clearly evident that occupancy of the housing accommodation would create an imminent threat to the health or safety of the occupant. The Housing Financial Discrimination Act of 1977, does not prevent the City from considering the fair market value of the property which will secure the proposed loan.

Any applicant for a real estate loan in connection with a housing accommodation claim to aggrieved by an alleged violation of the discrimination, considerations, or appraisal practices described above, or any rule or regulation adopted by the City under the Housing Financial Discrimination Act of 1977, may file a complaint with the Secretary of the Business and Transportation Agency. You may direct questions to the Secretary at the above address, or you may call collect to (916) 322-9851. The address of the Secretary of the Business and Transportation Agency is as follows:

**OFFICE OF FAIR LENDING**  
**Business and Transportation Agency**  
**1120 North Street**  
**Sacramento CA 95814**

I hereby acknowledge receipt of the Housing Discrimination Act of 1977 Notice. I further attest that the provisions of said Act have been fully explained to me.

\_\_\_\_\_

Date

\_\_\_\_\_

Signature

\_\_\_\_\_

Date

\_\_\_\_\_

Signature

**EXHIBIT E**  
**CITY OF NORCO**  
**HOUSING ASSISTANCE PROGRAMS**

**Foreclosure Policy**

City As Junior Lienholder

It is the City of Norco's (City's) policy to prepare and record a "Request for Notice" on all junior liens (any lien after the first position) placed on properties financed by a loan.

This document requires any senior lienholder to notify the City of initiation (recordation of a "Notice of Default") of a foreclosure only. This is to alert the junior lienholder that they are to monitor the foreclosure with the senior lienholder. When the City is in a second position and receives notification of foreclosure from the senior lienholder, it would be in their best interest to contact the senior lienholder regarding the status of their loan. The City will not take a position lower than second.

The junior lienholder may cancel the foreclosure proceedings by "reinstating" the senior lienholder. The reinstatement amount must be obtained by contacting the senior lienholder. This amount will include all delinquent payments, late charges, advances (fire insurance premiums, property taxes, property protection costs, etc.), and foreclosure costs (fees for legal counsel, recordings, certified mail, etc.)

Once the City has the information on the reinstatement amount, staff must then determine if it is cost-effective to protect their position by reinstating the senior lienholder, keeping them current by submitting a monthly payment thereafter, foreclosing on the property possibly resulting in owning the property at the end of foreclosure, protecting the property against vandalism, and paying marketing costs (readying the home for marketing, paying for yard maintenance, paying a real estate broker a sales commission).

If the City decides to reinstate, the senior lienholder will accept the amount to reinstate the loan up until five (5) days prior to the set "foreclosure sale date." This "foreclosure sale date" usually occurs about four (4) to six (6) months from the date of recording of the "Notice of Default." If the City fails to reinstate the senior lienholder before five (5) days prior to the foreclosure sale date, the senior lienholder would then require a full pay off of the balance, plus costs, to cancel foreclosure. If the City determines the reinstatement and maintenance of the property not to be cost-effective and allows the senior lienholder to complete foreclosure, the City's lien may be eliminated due to insufficient sales proceeds.

City As Senior Lienholder

When the City is in a first position, or the senior lienholder, active collection efforts will begin on any loan that is 31 or more days in arrears. Attempts will be made to assist the homeowner in bringing and keeping the loan current. These attempts will be conveyed in an increasingly urgent manner until loan payments have reached 90 days in arrears, at which time the City may consider foreclosure. City staff will consider the following factors before initiating foreclosure:

- Can the loan be cured (brought current or paid off) by the owner without foreclosure?
- Can the owner refinance with a commercial lender and pay off the City?
- Can the owner sell the property and pay off the City?

- Does the balance warrant foreclosure? (If the balance is under \$5,000, the expense to foreclose may not be worth pursuing.)
- Will the sales price of home "as is" cover the principal balance owing, necessary advances, (maintain fire insurance, maintain or bring current delinquent property taxes, monthly yard maintenance, periodic inspections of property to prevent vandalism, etc.) foreclosure, and marketing costs?

If the balance is substantial and all of the above factors have been considered, the City may opt to initiate foreclosure. The owner must receive, by certified mail, a thirty-day notification of foreclosure initiation. This notification must include the exact amount of funds to be remitted to the City to prevent foreclosure (funds to pay off a DPL).

At the end of thirty (30) days, the City should contact a reputable foreclosure service or local title company to prepare and record foreclosure documents and make all necessary notifications to the owner and junior lienholders. The service will advise the City of all required documentation to initiate foreclosure (Note and Deed of Trust usually) and funds required from the owner to cancel foreclosure proceedings. The service will keep the City informed of the progress of the foreclosure proceedings. When the process is completed, and the property has "reverted to the beneficiary" at the foreclosure sale, the City would then contact a real estate broker to market the home.

\_\_\_\_\_

Name

\_\_\_\_\_

Date

\_\_\_\_\_

Name

\_\_\_\_\_

Date

**EXHIBIT F**  
**CITY OF NORCO**  
**HOUSING ASSISTANCE PROGRAMS**

**Subordinations**

The City may approve a request to subordinate a loan, in order for the owner to refinance the property, under the following conditions:

- A. The lien position of the City loan will remain the same or be advanced.
- B. The new primary loan is no greater than the balance of the loan being refinanced, except the costs of refinancing the loan may be added to the principal balance.
- C. The purpose of the new primary loan is to reduce the interest rate being paid and/or reduce the owner's payments.
- D. The refinanced loan must have an impound account for taxes and insurances.
- E. The refinancing terms must be acceptable to the City.

When a Borrower wishes to refinance the property, they must submit a subordination request to the City in writing. The City will subordinate their loan only when there is no "cash out" as part of the refinance. There must be no additional charges on the transaction above loan and escrow closing fees. There can be no third-party debt payoffs or additional encumbrance on the property above traditional refinance transaction costs. Furthermore, the refinance should lower the housing cost of the household with a lower interest rate, and the total indebtedness on the property should not exceed the current market value. Upon receiving the proper documentation from the refinance lender, the request will be considered by the City for review and approval. Upon approval, the escrow company will provide the proper subordination document for execution and recordation by the City.

Documents Required for Review may include, but may not be limited to, the following:

1. Letter from applicant stating: the loan requesting the subordination on, subject property address, purpose of subordination (i.e., to go from an adjustable rate to a fixed rate), new lender's name, new loan amount and interest rate, applicant signature and date.
2. Copy of most recent Mortgage Statement
3. Lender approval
4. 1003 and 1008 from proposed lender
5. Credit report
6. Good faith estimate
7. Interest rate lock confirmation
8. Appraisal
9. Preliminary title report
10. Payoff demand from existing first lender
11. Estimated settlement statement (HUD-1) from escrow
12. Subordination Agreement from escrow and any other required documents

The City may also request a copy of the new Note and Deed of Trust at closing.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date