

CITY OF OWENSBORO

EXISTING HOMEOWNER EXTERIOR REHABILITATION

2025 PROGRAM GUIDELINES



Revised: June 1, 2025

Section 1. Program Goals and Objectives.

(1) Introduction.

The information and requirements herein are applicable for the City of Owensboro Existing Homeowner Exterior Rehabilitation Grant Program financed through the use of Community Development Block Grant (CDBG) funds under the National Objectives of the United States Department of Housing and Urban Development for State CDBG programs to benefit Low to Moderate Income Persons or Households. It is the intent of this grant program to provide financial incentives to existing homeowners, specifically within the Monarch Neighborhood Revitalization Strategy Area (NRSA) to assist them in renovating and rehabilitating the exterior of their homes.

(2) Program Objectives.

The primary objective of the City of Owensboro Existing Homeowner Exterior Rehabilitation Grant Program is to revitalize the urban renewal area by preserving and renovating the existing homes. Rehabilitation means a process of returning a property to the state of utility through repair or alteration, which makes possible an efficient contemporary use while preserving those portions and features of the property that are significant to its historic/architectural and cultural values.

(3) Project Goals.

Specific goals for the City of Owensboro Existing Homeowner Exterior Rehabilitation Grant Program are as follows:

- A. To meet the national Low to Moderate Income Persons or Households objective and to prevent further deterioration of commercial, residential and mixed use properties in the urban renewal area.
- B. To eliminate conditions detrimental to the health, safety and welfare of the residents and users of the surrounding area.
- C. To preserve existing neighborhoods while increasing property values.
- D. To revitalize the qualifying census tracts as a viable, economic, and cultural asset of the City of Owensboro.

(4) Program Description.

The City of Owensboro Existing Homeowner Exterior Rehabilitation Grant Program is designed to provide financial assistance through a matching grant to owners of property who desire to renovate their homes and meet the City of Owensboro

Community Development Department requirements. CDBG funds allocated for the City of Owensboro Existing Homeowner Exterior Rehabilitation Grant Program must be used for the following:

A grant, up to Twenty Thousand Dollars (\$20,000.00).

Section 2. Administration.

(1) General.

The City of Owensboro Existing Homeowner Exterior Rehabilitation Grant Program shall be administered by the City of Owensboro Community Development Department. The Community Development Department will confirm eligibility for the program from the Application Requirements.

(2) Designated Program Area.

Preference will be given to homes located in the Northwest NRSA, as identified on Exhibit "A".

(3) Non-discrimination.

Section 109 of Title I of the Housing and Community Development Act of 1974 requires that no one shall on the grounds of race, color, national origin or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded with CDBG Grant Funds. In addition, any property owner as a condition to obtaining a renovation grant must comply with all applicable requirements and codes pursuant to regulations effectuating Title VIII of the Civil Rights Act 1968, regarding a sale, lease, rental, use or occupancy of his or her property.

(4) Relocation.

The City of Owensboro shall not provide matching grant funding to any renovation activity that will require the vacating of any property or the relocation of any of the habitants thereof.

(5) Exceptions.

Any exceptions concerning the requirements herein may be brought to the Community Development Department for discussion. All questions shall be submitted in writing and should address the following:

- A. State a specific policy provision for which the exception is requested.
- B. Clearly describe the specific circumstances and facts on which the request for an exception to the requirements is based.
- C. State the reasons why he/she believes the exception is warranted and under what circumstances.

The Community Development Department, as defined in their Rules of Procedure, has the authority to grant or deny an exception related to the architectural and site plan design for development proposals.

Section 3. Eligibility Requirements.

(1) General.

In order to be eligible for the grant program the applicant must:

- A. Be an owner of title to the land as recorded in the office of the County Clerk.
- B. Be current on all property taxes on the subject property prior to submitting an application.

(2) Federal Requirements.

- A. If the building or structure on the real property is over fifty (50) years in age, then the application MUST be reviewed and commented on by the Kentucky Heritage Council per federal regulations overseeing Community Development Block Grant (CDBG) funds by the U.S. Department of Housing and Urban Development (HUD). Allow thirty (30) additional days for this process. In addition, the Community Development Staff shall conduct a Section 106 review of the property. If any eligible home was constructed prior to 1978, the exterior of the home shall be tested for Lead Based Paint. This procedure shall be funded by the City of Owensboro at no additional cost to the homeowner.

Section 4. Existing Homeowner Rehabilitation Limitations

(1) Individual Grant Fund Amount.

The City of Owensboro Existing Homeowner Exterior Rehabilitation Program allows existing homeowners to address exterior repairs to their homes. Preference shall be given to homes shall be located within the Monarch Neighborhood

Revitalization Strategy area (approved in Municipal Order 9-2020) and the Homeowner shall occupy the home as their principle residence and have title to the property as recorded in the Daviess County Courthouse. No Contract Bond for Deed will be allowed. The City will provide an income-based matching grant with the City amount not to exceed Twenty Thousand Dollars (\$20,000.00). The City of Owensboro will cover, to the most reasonable extent possible, the cost of any unforeseen items that need to be addressed after repairs have begun. The following chart indicates the responsible amount for each party based the Homeowner's percentage of income:

HOMEOWNER % OF LOCAL MEDIAN INCOME	PAYMENT SCHEDULE
0-30%	City pays 100% / Homeowner pays 0%
31-50%	City pays 100% / Homeowner pays 0%
51-80%	City pays 100% / Homeowner pays 0%
Over 80%	City pays 90% / Homeowner pays 10%

(2) Eligible Improvements.

- All exterior items shall be considered for rehabilitation. These items shall include, but are not limited to, the following: roofing (including shingles & sheathing), gutters, siding (incl. shutters) & trim, windows and landscaping.
- No homeowner will be allowed to perform work on their home for this project. Any additional repairs to be completed during the project that are not on the original repair list, as compiled by the City of Owensboro, shall be the responsibility of the homeowner.

(3) Ineligible Improvements.

Those improvements made to abate the property of major code violations are ineligible for an exterior rehabilitation grant. Ineligible improvements include such items as:

- A. Interior improvements to the building.
- B. Electrical, mechanical, and plumbing work.
- C. Interior chimney repairs.

(4) Project Plans and Specifications Along with Architectural Drawings/Bidding/Awards.

Project plans and specifications, along with architectural and/or technical drawings for all properties proposed for rehabilitation and renovation under the City of Owensboro Existing Homeowner Exterior Rehabilitation Grant Program shall be submitted to the Community Development Department staff for review and approval. The review and approval will be based on the criteria identified in the Owensboro Community Development Department requirements.

Bidding Process:

Projects shall be bid out by the City of Owensboro. One bonded, insured and reputable contractor shall be selected by the City to complete each project. The City reserves the right to bid out multiple addresses as one project.

Contract Award:

After the contractor is selected, a pre-construction conference shall be scheduled with Community Development staff, the contractor and the Homeowner. Each line item in the specification, change order procedures and payment procedures shall be discussed. In addition, all necessary paperwork shall be signed including, but not limited to, the following:

- Grant Agreement between Homeowner and the City of Owensboro
- Contract with the City and Contractor
- 1-Year Limited Warranty (begins upon final payment), workmanship warranty as well as any warranty on materials procured for the project.

(5) Project Time Frame.

Successful applicants must complete their project within one calendar year (365 days) of the date of the Agreement with the City of Owensboro to receive the full amount of the grant request. Should the one-year time frame expire before completion, the applicant must request an extension, in person, to the Community Development Department, who has the authority to grant or deny the extension. The maximum extension time is ninety (90) days, and must be requested no later than thirty (30) days before the expiration date. If the extension request is not received by the deadline, the project will not receive the grant.

Section 5. Agreement.

(1) Agreement.

- A. Upon approval of the application by the Community Development Department, the Homeowner shall execute an agreement with the City for the payment of work completed for the exterior improvements based on the pre-determined income schedule below:

0-30%	City pays 100% / Homeowner pays 0%
31-50%	City pays 100% / Homeowner pays 0%
51-80%	City pays 100% / Homeowner pays 0%
Over 80%	City pays 90% / Homeowner pays 10%

- B. The applicant will provide the project match payment in FULL prior to beginning of construction. All payments to contractors for work and materials will be made by the City of Owensboro Community Development Department.
- C. All alterations, repairs, improvements, and additions must be fully described and made a part of said Agreement, and shall be in compliance with the Owensboro Metropolitan Planning Commission building codes.

(2) Hold Harmless.

The Homeowner shall agree, upon execution of the Agreement with the City, to indemnify and hold harmless the City of Owensboro, its employees, officers, council members, officials, agents, and members of its boards or commissions, from all claims, suits, liabilities or judgments for injury or injuries to persons injured, or destruction to owners buildings, grounds or adjacent buildings on grounds, loss to or interruption of the Homeowner, or commerce of the Homeowner and the Homeowners tenants or agents due to work performed under said Agreement.

Section 6. Design Review.

For the purpose of this program, the Community Development Department shall serve as a review team for all exterior home improvements. The Community Development Department reserves the right to amend these regulations from time to time as deemed necessary.

EXHIBIT A