



## Healthy Homes and Weatherization Cooperation Demonstration Program

### *Policies and Procedures*



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EQUAL OPPORTUNITY EMPLOYER AND HOUSING AGENCY



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Lieutenant Governor  
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## **CHAPTER 1 – GOALS AND OBJECTIVES**

This policy and procedure manual is developed to guide the implementation and administration of an award of \$1,000,000 from the United States Government, through the U.S. Department of Housing & Urban Development (HUD). The Healthy Homes and Weatherization Cooperation Demonstration (HHWCD) is primarily aimed at providing healthy housing interventions through coordination of HUD's Office of Lead Hazard Control and Healthy Homes (OLHCHH)-funded Healthy Homes Production (HHP) Program and programs funded by the U.S. Department of Energy's (DOE) Weatherization Assistance Program (WAP). The Healthy Homes program takes a comprehensive approach to addressing multiple childhood diseases and injuries in the home by focusing on housing-related hazards in a coordinated fashion, rather than addressing a single hazard at a time. DOE's Weatherization Assistance Program reduces energy costs for low-income households by increasing the energy efficiency of the homes while improving their health and safety, especially for vulnerable populations such as the elderly, disabled, and children. A key component of this program will be to demonstrate effective strategies for coordination between HUD's HHP and DOE's WAP programs to maximize efficiency and benefits to occupants.

The grant period is from February 15, 2024 and will expire February 15, 2027. This policy and procedure manual has been drafted to guide the activities funded throughout the duration of the award period. Periodically, written policies, procedures, and forms for the administrative and financial management of the program may be updated. These policies and procedures will be used for the HHWCD throughout the 36-month period of performance.

The goal for the Healthy Homes Weatherization Cooperation Demonstration during the thirty-six-month period of performance is to identify and remediate health and safety hazards while also addressing weatherization and energy efficiency in approximately 68 units located within Marion County, Indiana. Priority will be given to privately owned, low-income rental and/or owner-occupied housing, especially in units and/or buildings where families with children, older adults sixty-two (62) years and older, or families with persons with disabilities are residing in Marion County. Additionally, the units targeted for participation in this program will also be participating in a Department of Energy (DOE) Weatherization Program to reduce energy costs by increasing the energy efficiency, specifically in those instances in which a home would be deferred from weatherization due to concerns commonly associated with asthma/respiratory triggers (mold, moisture intrusion, pests). A maximum of \$10,000 per unit is available through HHWCD to address hazards identified in a healthy home assessment or weatherization measures that can not be addressed through DOE WAP funds. In order for a unit to count toward units served, at least 10% of the total cost must come from WAP and at least 10% must come from HHP or HHWCD.

IHCDA and our partners will also take all the appropriate steps to ensure that its administrative and financial management system is compatible for the HHWCD grant. Periodically, IHCDA may update written policies, procedures, and forms for the administrative and financial management of the program.

### **PROGRAM PLAN**

The proposed HHWCD work plan includes specific, measurable, and time-phased objectives for each of the major program tasks and activities. It reflects benchmark performance for unit production, expenditures, matching funds, community outreach, education, skills, training, and other program activities. This is a cost-reimbursement award. HUD shall reimburse the IHCDA for costs incurred in the performance of this award which is determined by the GTR/Grant Officer to be allowable, allocable, and reasonable in accordance with applicable Federal cost principles as permitted by 2 CFR Part 200 Subpart E.

In addition to the Healthy Homes interventions and weatherization assistance provided to the individual units served, the focus of HHWCD will further be to: demonstrate effective strategies for coordination between HUD's HHP and DOE's WAP program to maximize program efficiencies and benefits to occupants; reduce WAP deferrals through coordination with HHP programs; demonstrate sustainable models of inter-program cooperation; demonstrate effective models for the sustainable financing of coordinated HHP/WAP interventions; and support the collection of data to evaluate the housing interventions conducted through inter-program coordination.

IHCDA will expend at least sixty-five percent (65%) of grant funds on direct costs defined specifically as healthy homes identification and remediation activities in the home. IHCDA will expend approximately ten percent (10%)

through a subgrantee agreement with Community Action of Greater Indianapolis (CAGI). For Marion County homes identified to receive HHWCD program assistance, CAGI will be the entity responsible for conducting both the energy audit necessary for WAP and the Healthy Homes Assessment necessary for HHP/HHW. Based on the eight Healthy Homes Principles, HHP will assess and remediate housing-related health and safety hazards that pose a likelihood of harm to occupant health if not addressed. WAP will address activities to improve energy efficiency and reduce energy burden in each unit. HHWCD will coordinate between HHP and WAP to ensure that identified Healthy Homes hazards can be sufficiently addressed to allow weatherization measures to occur in each unit. HHWCD will primarily fund interventions which may not have been otherwise covered by HHP or WAP funding, such as replacement of doors or windows which do not meet the DOE Savings-to-Investment Ratio (SIR). IHCDCA anticipates an average unit cost of \$10,000 to include assessments, labor, Healthy Homes interventions, and any necessary follow up.

IHCDCA will also be utilizing partnerships with local public health agencies to leverage the HHWCD funding to identify and recruit clients who could benefit from interventions to improve indoor environmental quality (IEQ). For example, the health of children and adults with poorly controlled asthma or adults with COPD can potentially immediately benefit from home interventions that mitigate asthma triggers or respiratory irritants and improve ventilation. Such partnerships may offer an opportunity to identify sources of sustainable funding for future interventions to improve IEQ in housing for low-income families that meet certain conditions.

Radon testing will be conducted in all units enrolled in the HHP/HHWCD. Testing must be conducted by a licensed professional who is currently credentialed by the National Radon Proficiency Program or the National Radon Safety Board (NRPP/NRSB). Based on a radon assessment, if radon mitigation is needed because the radon level is at or above 4 picocuries per liter of air, interventions will be conducted by a professional who is credentialed by the NRPP or NRSB and licensed in the State of Indiana. Radon testing and mitigation must be conducted according to the current ANSI/AARST consensus standards for the specific housing type. After all mitigation measures are complete, IHCDCA will coordinate a third-party radon test to evaluate and confirm the system is properly operating.

A Lead-based paint inspection and risk assessment must be conducted for all pre-1978 units where a child less than six resides. If the unit has lead hazards and a child less than six years of age resides, lead hazard control activities must be prioritized above all other hazards after radon. Control or elimination of all lead-based paint hazards identified in housing units and in common areas of multi-family housing will be through interim controls, abatement, or a combination of both. All Grant Program Policy Guidance by the Office of Lead Hazard Control and Healthy Homes (OLHCHH) regarding lead-based paint can be found [here](#). *Lead hazard evaluation and/or control activities must not be a principal focus of the housing-related health hazard evaluation or remediation.*

IHCDCA is the responsible administrative agency for the Healthy Homes Partnership Program. Staff, in implementing the program will ensure compliance with all the administrative and financial management requirements of the program. The Healthy Homes and Weatherization Cooperation Demonstration Program Manager (PM), under the direction of the Program Director, will provide the day-to-day management and oversight of the HHWCD tasks and activities including marketing, partner collaboration, intake, tracking, reporting, contractor procurement, contracts, monitoring, inspections, and closeout. The PM will work closely with the Healthy Homes Analyst, Healthy Homes Program Manager and Weatherization Manager to ensure effective and efficient communication throughout the implementation of this Demonstration.

## **PROJECT SET-UP**

The IHCDCA HHWCD PM will setup each eligible unit within the “unit work” tab of HHGMS and input all the required information throughout each phase of the project until completion. The project can be set up when the applicant income eligibility is determined; however, the unit must be set-up prior to solicitation of bids. IHCDCA will maintain an internal tracker for quick reference of each phase.

## **PROJECT SET-UP, QUARTERLY, AND COMPLETION REPORTING**

IHCDCA will submit, via HHGMS, project completion data through the Quarterly Report (Exhibit I) to the assigned GTR. To be considered in the HUD quarterly report, the Set-up and Quarterly Report Status form must be received by the following dates:

2024	2025	2026	2027
	January 30, 2025	January 30, 2026	January 30, 2027
April 30, 2024	April 30, 2025	April 30, 2026	April 30, 2027
July 30, 2024	July 30, 2025	July 30, 2026	
October 30, 2024	October 30, 2025	October 30, 2026	

### **ELOCCS DRAWS**

For draws to be considered in the current quarter, IHCD will submit the LOCCS draw no later than 10 business days prior to the end of each quarter. The reimbursement schedule will be based upon the date IHCD makes the LOCCS request in accordance with [Policy Guidance 2013-02, Revised Line of Credit Control System \(LOCCS\)](#)

**Reimbursement Procedures.** Draws exceeding \$100,000 will require full documentation in support of the draw request consistent with [Policy Guidance 2013-02](#).

### **AFFIRMATIVE MARKETING PLAN**

Rental property owners will be required to submit an Affirmative Fair Housing Marketing Plan prior to the commitment of HHP funds. The Plan must identify the target audience, methods, and materials to attract tenants of all majority and minority groups in the housing market regardless of race, color, creed, religion, national origin, marital status, status about public assistance, disability, sexual orientation, or familial status. The Plan will be reviewed by IHCD and incorporated into the grant agreement. At a minimum, the Plan may consist of a completed Affirmative Fair Housing Marketing Plan form with sample marketing materials. Materials drafted by the property owner, must contain at a minimum, an Equal Housing Opportunity Statement and Logo.

## **CHAPTER 2 – ORGANIZATIONAL CAPACITY**

IHCDA has entered into an agreement for the administration and implementation of HHWCD with HUD's Office of Lead Hazard Control and Healthy Homes. The contract sets forth the budget allocation and timeline for activity completion.

### **OPERATIONAL BOUNDARIES**

IHCDA will perform grant activities throughout Marion County, by way of referrals and applications. Our partners will provide the services described in the Work Plan and these Policies and Procedures. IHCDA will coordinate the County-wide Tier I and each housing units Tier II through the HEROS (HUD Environmental Review Online System) as required by HUD. For this program, only homes in Marion County will be enrolled.

## **CHAPTER 3 - FILE MANAGEMENT**

### **FILE CONTENT**

IHCDA will upload all required project and client information required into the Healthy Homes Grant Management System (HHGMS) and maintain all documents, by address, in an electronic client folder. These documents will only be accessible by staff actively involved in the HHWCD, HHP, and WAP. All client documents will be securely transmitted electronically via HHGMS or through the State of Indiana's secure network. These files and information will be made available to HUD upon request and at the grant close-out monitoring. The following information lists the type of information IHCDA will collect and maintain. IHCDA may collect other relevant information needed to comply with the program requirements.

### **FILE STORAGE & RETENTION**

All program files will be retained by IHCDA electronically and documents with original signature in a secure location for a minimum period of five years following closeout of the award.

If any litigation, claim, negotiation, audit, monitoring, inspection, or other action has been started before the expiration of the required retention period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the required period, whichever is later.

IHCDA, HUD, and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any pertinent books, documents, papers, and records to make audits, examinations, excerpts, and transcripts. IHCDA will provide citizens, public agencies, and other interested parties with reasonable access to records, consistent with applicable state and local laws regarding privacy and obligations of confidentiality.

### **FILE MAINTENANCE AND DISPOSAL**

Paper files retained by IHCDA and held beyond the minimum retention period may be placed in State storage or properly disposed of in accordance with State policy.

### **DATA SHARING**

All file content relevant to this grant will be subject to periodic monitoring by IHCDA and HUD. Reasonable access to the project files for monitoring purposes must be established.

### **AGGREGATE DATA**

IHCDA may enter into Memorandum(s) of Agreement/Understanding with other relevant State and local partners, eg- health departments and/or medical facilities, to most effectively ensure referral of those households with diagnosed respiratory illnesses such as asthma or COPD. These partners will not be anticipated to receive participant-specific data from IHCDA but may wish to receive de-identified aggregate data to assist in their reporting and programming needs.

**Section I- Application**

- Application
- Photo ID
- Confidentiality Release
- Intake document checklist
- Frequently Visiting Child Certification (if applicable)
- Proof of Income Documentation
  - Tenant Income Certification
  - Tenant Income Questionnaire
  - Zero Income Certification (if applicable)
  - Non-Employed Certification (if applicable)
  - Supportive documents- pay stubs, tax information, bank statements, etc.
  - Bank Statement
  - Child Support Verification
- Grievance Policy Sign-off
- Case Notes- timeline of each major process
- Race/Ethnicity Form

**Section II- House Information**

- Verified Deed
- Tax Receipts Current
- Homeowners Insurance current
- Flood Insurance
- Tier II Environmental Record Review and Section 106 concurrence letter

**Section III- Contracts**

- Participation Agreement and Lien
- Lien (rental only)
- Construction contract
- Relocation Waiver- if applicable
- HUD 40030- if relocated
- Notice of Re-Occupancy

**Section IV- Financial**

- Change Orders- if applicable
- Relocation Cost Analysis- if applicable
- Project Completion Sign-off
- Project Completion & Authorization for Payment
- Project Invoices

**Section V- Correspondence & Family Information**

- Demographic Information
- Post Survey
- On-going Maintenance Plan (rental)

**Section VI- TESTING/INSPECTIONS**

- Healthy Homes Assessment
- Radon test reports
- EPA Lead Pamphlet & Renovate Right Received Homeowner Signature
- Notice of Evaluation (for the occupant)
- Lead Inspection/Risk Assessment reports
- Lead Hazard Control Plan/Scope of Work
- Healthy Homes Inspection report
- Homeowner receipt of LIRA & Clearance reports- documented receipt by the occupant
- Clearance Examination Report
- Notice of Lead Hazard Reduction (for the occupant)
- Other lead information
- Occupant Protection Plan
- I-Lead Certificate

**Section VII- Project Information**

- Property Record Card
- Cost Estimate
- Bidders List Letter
- Request for Proposal
- Scope of Work
- Original Bids
- Pre-Construction Meeting- if necessary
- Contracts
- Building Permit- if necessary
- Contractor Insurance Verification
- Contractor Licenses
- Waste Disposal Receipt (if applicable)
- Abatement Project Notification- ISDH



## **CHAPTER 4 -APPLICATION INTAKE, ENROLLMENT & PRIORITY**

### **APPLICATION SOURCES**

IHCDA will seek to procure applications through a variety of methods, including, but not limited to:

- IHCDA's Healthy Homes webpage
- IHCDA's Weatherization Program
- IHCDA Program Partners
- Local Units of Government and Not-for-profit outreach
- Housing Choice Voucher Program Landlord Recruitment
- Referrals from the Indiana State Department of Health or other partners
- Other Community Resources
- Grant Marketing/Outreach efforts

### **APPLICATION PROCESSING**

IHCDA will be responsible for intake and processing of applications for assistance of properties within Marion County. Referrals from CAGI's weatherization deferral list will be utilized to market the program to prospective clients.

### **APPLICATION CONTENT**

IHCDA will use an internally created application and intake document checklist to determine if the applicant meets the HHP/HHWCD eligibility criteria. IHCDA's Income Certification form (homeowner or rental version) and Income Questionnaire (used for all persons 18 years of age and older in the household), to include supporting documentation, will be used to determine income eligibility for each applicant.

IHCDA's required income documents will be used to verify the following:

#### **Applicant Household Composition & Size**

An applicant household is to be defined as the total number of an individual and any other related or unrelated adult(s) (over age 18) individuals and/or minors currently residing in, or anticipated to reside in, the assisted household. All applicant household members must disclose their full name, address, date of birth, and marital status.

#### **Determining Whose Income to Count**

Do not count the following household members (or their associated income) when determining household size for computing "annual income" in accordance with Area Median Income limits:

- Live-in aides
- Children of live-in aides
- Children being pursued for legal custody or adoption who are not currently living with the household

A child that is subject to a shared-custody agreement in which the child resides with the household at least 50 percent of the time can be counted as a household member. Foster children in the care of families applying for assistance may NOT be counted when determining household size. When a member of an assisted household is temporarily placed in foster care, the member is still counted as a family member in the unit from which they were removed.

#### **Income Verification**

All earned and unearned income of all household members shall be disclosed on the required income documents. Income sources to be verified and considered when determining eligibility are defined in [24 CFR Part 5. B](#). Refer to [Chapter 14](#) of the IHCDA CDBG & HOME Program Manual 4<sup>th</sup> Edition, July for Income Verification procedures.

#### **Household Asset Sources**

All assets held by all household members shall be disclosed on the income documents. Asset sources must be verified and considered when determining income eligibility as defined in 24 CFR Part 5.

#### **Property Ownership**

Applicants must disclose their ownership relationship to the proposed assisted property as well as any other non-occupant owners or other investment owners with an interest in the proposed assisted property.

- Ownership does **NOT** include land contracts, contracts for deeds, installment contracts.
- Land contracts purchases shall meet the requirements of a rental property

### **Property Age**

IHCDA will verify the date of construction of each proposed assisted property via the home's property record card.

### **Conflict of Interest Disclosure**

No persons who exercise or have exercised any functions or responsibilities with respect to HHP or HHWCD activities or who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from the activity, have an interest or benefit from the activity, have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one (1) year thereafter.

### **Procurement Conflicts**

Procurement standards require that no employee, officer, agent of the recipient or administering agency may participate in the selection or administration of a contract supported by the HHP or HHWCD program if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when any of the following parties has a financial or other interest in the firm selected for award:

- Employee, agency, or officer of the recipient or administering agency
- Any member of an employee's, agent's, or officer's immediate family
- An employee's, agents of officer's partner; or
- An organization that employs or is about to employ any of the above

### **Persons Covered**

The conflict-of-interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the state, or of a unit of general local government, or of any designated public agencies, or Sub-recipients which are receiving HHP or HHWCD funds.

### **Procedures**

If applicable, a conflict-of-interest notice must be submitted to the HHWCD Program Director or higher in writing for review. The letter should contain the following information:

- A request for an exception to the conflict-of-interest prohibition
- Justification for the exception

IHCDA will forward the conflict of interest to the OLHCHH to determine if an exception to the conflict is allowed. IHCDA will notify the party in writing whether an exception has been allowed or denied by HUD. If an exception is allowed, a completed Uniform Conflict of Interest Disclosure Statement must be sent to the following parties within fifteen (15) days of approval.

### **Factors to Consider When Granting an Exception:**

- Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program which would otherwise not be available
- Whether the person affected is a member of a group or class of low-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interest or benefits as are being made available or provided to the group or class
- Whether the affected person has withdrawn from his or her function or responsibilities, or the decision-making process with respect to the specific assisted activity in question
- Whether the interest or benefit was present before the affected person was in a position constituting the conflict of interest
- Whether undue hardship will result either to the person affected when weighted against the public interest served by avoiding the prohibited conflict
- Any other relevant consideration

## **Property Insurance**

Applicants must provide a copy of their current policy which must contain their name, address, policy number, and contact information of their property insurance agent. If all other eligibility requirements are satisfied but there is no property insurance for a proposed unit, IHCDA may conduct a case-by-case review to determine if such requirement can be waived and enrollment allowed to proceed.

## **Individuals with an Elevated Blood Level (EBLL)**

Applicants may disclose whether any member of the household currently has a known EBLL if lead-hazard control work is being conducted. IHCDA will document and report each household that has a documented Confirmed Elevated Blood Lead Level (CEBLL) and report it to HUD through HHGMS. Rental units made lead-safe may be listed on IHCDA's Healthy Homes Resource webpage.

## **Authorization to Verify All Information Contained in Application**

All adult household members agree to allow IHCDA to verify all information provided in their application and intake documents. Applicants must attest, by their original or electronic signature, that the information disclosed in the application is accurate and complete; they must certify to such under penalty of law and further understand that penalty for submitting false information may include the possibility of fines and imprisonment for knowing violations.

## **APPLICATION ENROLLMENT**

IHCDA will prioritize applicants based on the program priorities, geographical area, and application date. Applicants will be notified via email, or phone, when they have been selected to begin the enrollment phase. Once the program income documents have been received by email or mail, the applicant has fourteen days to respond and provide the necessary documents to verify income, or they will be moved down on the waitlist. IHCDA may allow more time for the applicant to collect and deliver the documents, if requested, and within a reasonable amount of time. An applicant will be enrolled once IHCDA has reviewed and approved all required intake documents and verified income eligibility. Enrolled applications will be uploaded into HHGMS, as well as IHCDA's internal tracking and reporting mechanism, by the Healthy Homes Analyst and/or HHWCD Program Manager.

## **INCOME DEFINITION**

IHCDA has chosen to utilize the Part 5 definition for determining annual income. The annual income definition is found at 24 CFR Part 5.609. This definition was previously referred to as the Section 8 definition. The Part 5 definition of annual income is the gross amount of income of all adult household members that is anticipated to be received during the coming 12-month period.

For additional information on determining income eligibility, refer to the following resources:

- Chapter 5 of HUD Handbook 4350.3 *Occupancy Requirements of Subsidized Multifamily Housing Programs* (Included as Exhibit A of the Chapter)
- Section 1: Determining Annual Income
- Section 3: Verification
- Exhibit 5-1: Income Inclusions and Exclusions
- Exhibit 5-2 Assets
- Appendix 3: Acceptable Forms of Verification

IHCDA staff will review all applications received and verify that the household and unit meet all Title X requirements including income and family composition requirements. The intake analyst and/or PM is responsible for collecting, documenting, verifying the income of applicants and using the established income guidelines to calculate and document income. The income of each applicant will be verified in accordance with [\*\*Policy Guidance 2017-05, Income Verification Guidance.\*\*](#)

## **Determining eligibility for Owner-Occupants and Rental Occupants**

Households must be income qualified to be considered eligible by IHCDA. An income verification is good for six (6) months from the time of the verification. If more than six (6) months lapse, the household income must be re-verified. The HHP/HHWCD Unit Work Tracker and HHGMS will be updated during each phase of progression of the program to accurately report the date of enrollment.

### **Providing copies of income documentation to IHCD**

Once the applicant is determined to be income qualified, the owner-occupant or rental tenant income certification form and income certification questionnaire to include all supporting documents will be filed in the client file and date of enrollment listed in HHGMS. These files must contain the income certification and verification documents for all beneficiaries (i.e., tenants or homeowners assisted).

### **Record Keeping: Files and Forms**

Applicants are eligible for the program only if the proper documentation verifying the household's eligibility is provided. IHCD will maintain efficient record keeping for monitoring purposes. The HHP/HHWCD Unit Work Tracker and HHGMS will be updated during each phase of progression through the program. The following is a guideline for what information to include in the beneficiary file:

#### **Files**

At a minimum, the following items will be maintained and organized in chronological order for easy review:

1. Beneficiary application for assistance.
2. Income Certification Questionnaire Form
  - Completed at the time the beneficiary applies for assistance. A separate form must be completed by each adult household member 18 years and older.
3. Owner-Occupant or Tenant Income Certification (TIC) Form
  - Must be signed and dated by all adult members of the household
  - Should be completed at the time of the initial income verification and if the initial income verification has expired, at the time of re-verification
4. Verifications of all sources of earned and unearned income and of all asset sources noted on the Income Certification Questionnaire and Income Certification form
  - 3rd party verifications are the preferred method of income verification but are not required.

When utilizing paystubs as support documentation for verifying and anticipating income from wages of a beneficiary/tenant whose job provides steady employment (e.g., forty (40) hours a week fifty-two (52) weeks a year), the number of paystubs that cover two (2) consecutive months of payments at a minimum will be required. For beneficiaries/tenants with jobs providing employment that is less stable or does not conform to a twelve (12) month schedule (e.g., seasonal laborers and other sporadic work), income documentation should be obtained that covers the entire previous twelve (12) month period.

- If utilizing tax returns as income verification, a certified copy of IRS Form 4506 "Request for Copy of Tax Form" is required.
  1. Any other documentation verifying the beneficiaries' eligibility (e.g., joint custody of a child documentation, management clarification documents, etc.).

All documents included in the beneficiary/tenant file will be fully completed, signed, and dated. IHCD will not accept documents that are incomplete, that have been marked with correction fluids (i.e., whiteout), or where information has been obliterated with pen or marker.

#### *Owner-Occupant or Rental Tenant Income Certification (TIC) Form*

Every applicant file must contain a Tenant Income Certification (TIC) form, regardless of funding source, activity type, or whether that beneficiary also has an income certification from another program in the file (e.g., HUD Form 50058/50059 or similar RD certification forms).

#### *Income Certification Questionnaire*

A fully completed Application and Income Certification Questionnaire for all persons 18 years of age and older in the household is critical to an accurate determination of beneficiary eligibility. The information furnished on the Application and Tenant Eligibility Questionnaire should be used as a tool to determine all sources of income, including total assets and income from assets.

### **Annual Household Income**

Annual income is the amount of income that is used to determine a household's eligibility for assistance and defined as

follows:

1. All amounts, monetary or not, that go to or are received on behalf of the head of household, spouse, or co-head (even if the household member is temporarily absent), or any other household member; or
2. All amounts anticipated to be received from a source outside the household during the twelve (12) month period following admission or annual recertification effective date.

Annual income includes amount derived (during the twelve (12) month period) from assets to which any member of the household has access. The applicant must provide third party verification of income sources of all adult household members aged eighteen (18) or older, as well as benefits paid on behalf of minors in the household.

*Regular Cash Contribution and Gifts:* All income received on a regular basis from persons not living in the units must be counted. These sources may include rent and utility payments paid on behalf of the household, and other cash or non-cash contributions provided on a regular basis. The only exceptions are childcare expenses paid directly to the childcare provider on behalf of the household or groceries given to the household (actual grocery items, not money for groceries).

- The daughter of an elderly tenant pays her mother's \$175 share of rents each month. The \$175 value must be included in the tenant's annual income.

*Welfare Rent as Income:* Welfare assistance is counted as income. Most Owner/agents will use the actual gross amount of welfare assistance the household received. In certain "as-paid" localities, however, a special calculation is required. In an as-paid jurisdiction, welfare assistance for housing costs is established separately from the rest of the welfare assistance and may be adjusted based on the actual cost of the household's housing.

- For welfare recipients, Owner/Agents in as-paid jurisdictions must count as income the amount of general assistance the household received plus the maximum amount of housing assistance the household could receive (rather than the amount the household is receiving).

*Self-Employed Persons:* Self-employment net income (after business expenses) from non-farm business, including proprietorship and partnership must be counted. Also, farm self-employment net income (after operating expenses) must be counted. Include amounts from land rented for shares.

*Military Income:* All regular pay, special pay, and allowances of a member of the Armed Forces must be counted. The exception to this rule is special pay to a household member serving in the Armed Forces who is exposed to hostile fire.

### **Whose Income Should Be Counted**

*Adults:* Count the annual income (earned and unearned) of the head, spouse, co-head, and any other adult members of the household. In addition, persons under the age of eighteen (18) who have entered into a lease, under state law, are treated as adults and their annual income must also be counted. These persons will be the head, spouse, or co-head; they are sometimes referred to as emancipated minors.

*Minor children:* Benefits or other unearned income, including income from assets, of minors is counted. This includes child support, AFDC payments, Social Security, and other benefits paid on behalf of the minor.

*Temporarily absent household members.* The income of temporarily absent household member is counted in Part 5 definition of annual income – regardless of the amount the absent household member contributes to the household. For example, a construction worker employed at a temporary job on the other side of the state earns \$600 per week. He keeps \$200 per week for expenses and sends \$400 per week to his household. The entire amount (\$600 per week) is counted in the household's income.

*Adult students living away from home.* If an adult full-time student is counted as a member of the household in determining the household size (to compare against the HUD income limits), only the first \$480 of the student's income must be counted in the household's income. However, if the student is the head, co-head or spouse you must count the full amount of income. (NOTE: Verification must be obtained from the school verifying the student is full time.)

*Adult student living at home:* Count only earned income up to a maximum of \$480 per year for full-time students, age eighteen (18) or older, who is not the head of the household, co-head, or spouse. (NOTE: Verification must be obtained from the school verifying the student is full time.)

*Permanently absent household members.* If a household member is permanently absent from the household (e.g., a spouse who is in a nursing home), the head of household has the choice of either counting that person as a member of the household and including income attributable to that person as household income or specifying that the person is no longer a member of the household.

### **Determining Household Size**

The following persons shall not be included when calculating the household size for purposes of determining income eligibility: live-in aides (as defined in 24 CFR 5.403), unborn children, foster children, foster adults, and children being pursued for legal custody or adoption who are not currently living with the household. Note that when a member of an assisted household is temporarily placed in foster care, the member is still counted as a family member in the unit from which they were removed.

### **Whose Income Should Not Be Counted**

*Income of live-in aides.* If a household includes a paid live-in aide (whether paid by the family or social service program), the income of the live-in aide, regardless of the source, is not counted. Except under unusual circumstances, a spouse or minor child cannot be considered a live-in aide.

*Earned income of minors.* Earned income of minors (age seventeen (17) and under) is not counted. However, unearned and asset income of minors is included in total household income.

## **INCOME INCLUSIONS**

As of 1/1/24 HOTMA updates, there is no defined list of included income sources. If an income source is not specifically excluded, then it must be included.

## **METHOD OF VERIFICATION**

The following income verification document review hierarchy should be followed in all cases:

Three (3) methods of verification are permitted: third-party verification from the source, third-party verification from the tenant (“tenant-provided documents”), and self-certification. Per the updates to HUD Handbook 4350.3, Rev-1, CHG-4 released in 2013 (see Chapter 5, Part 5-13), both verifications provided from the source and tenant-provided documents (formerly referred to as second-party verification) are now equally acceptable types of third-party documentation.

Verifications must be conducted consistently for all households.

### ***Third-Party Written or Verbal Verification Provided by the Source (online or hard copy)***

Third-party verifications are a useful form of income verification because they provide independent verification of information. Third-party verification involves the grantee contacting an outside entity to obtain information about the income of household member(s). If a third-party verification system is used to determine income eligibility for other assistance programs, such as HUD’s Enterprise Income Verification system, we may propose using that system in your work plan provided the income and occupancy limits set forth in Section 1011 of Title X are complied with. The form of third-party verification used may be either paper-based or web-based.

### ***Verbal Third Party Provided by Grantee***

When written verification is not possible prior to move-in, direct contact with the source will be acceptable to IHCD only as a last resort and should be followed by written verification. The conversation should be documented in the tenant file to include all information that would be contained in a written verification. The information must include the name, title, and phone number of the contact, the name of the onsite management representative accepting the information, and the date the information was obtained.

In addition, if the owner receives third-party verifications that are not clear or are not complete, a documented verbal clarification may be accepted if it includes the name and title of the contact, the name and signature of the onsite

management representative accepting the information, and the date the information was obtained.

Furthermore, if after requesting third-party verification, the third-party indicates that the information must be obtained from an automated telephone system, the owner may document the information provided from the telephone system. The documentation must state the date the information is received, all the information provided, and the name, signature, and title of the person receiving the information.

### ***Third Party Tenant Provided Documents***

Per HUD Handbook 4350.3, REV-1, CHG-4, tenant-provided documents are now considered third-party documents and are equally as acceptable as verification documents provided by the source. The Handbook states in Part 5-13(B)(1)(b)(1) that the owner may use:

An original or authentic document generated by a third-party source. Such documentation may be in possession of the tenant (or applicant), and commonly referred to as tenant-provided documents. These documents are considered third-party verification because they originated from a third-party source.

Examples of tenant-provided documentation that may be used includes, but is not limited to: pay stubs, payroll summary report, employer notice/letter of hire/termination, SSA benefit letter, bank statements, child support payment stubs, welfare benefit letters and/or printouts, and unemployment monetary benefit notes.

When using tenant-provided information, the owner must consider the following:

- Is the document current? Circumstances may have changed since the document was created.
- Is the document complete?
- Is the document an unaltered original copy? When possible, documents with original signatures are the most reliable.

The following requirements apply to tenant-provided documents:

- **Using Paystubs for Employment Verification:** If utilizing paystubs for employment verification, the recipient must obtain two (2) consecutive months of paystubs from the tenant/applicant if the job provides steady employment. If employment is sporadic or seasonal, the recipient should obtain information that covers the entire previous twelve (12) month period.
- **Using Bank Statements:** If utilizing bank statements as asset verification, the owner must obtain the six (6) most recent statements to verify a checking account and the most recent statement to verify a savings account.
- **Using Tax Returns for Income Verification:** If utilizing tax returns as income verification, the recipient must obtain a certified copy by completing IRS Form 4506 "Request for Copy of Tax Form."

The owner must be able to reasonably project expected income for the next twelve (12) months from the tenant-provided documents.

The owner may use information obtained electronically from fax, email, or the internet. A printout from a reliable source is adequate verification.

### ***Tenant Self-Certification***

As a last resort, the owner may accept a tenant's signed affidavit if third-party or tenant-provided verifications cannot be obtained. The recipient should try to refrain from using self-affidavits except where necessary.

If a self-affidavit must be used to verify income or asset sources, the owner is required to document the tenant file by explaining the reason third-party or tenant-provided verification could not be obtained and showing all efforts that were made to obtain verification. Per Chapter 5 of the HUD Handbook 4350.3, the following documents should be placed in the tenant file:

- A written note to the file explaining why third-party verification is not possible; and/or
- A copy of the date-stamped original request that was sent to the third-party; and/or

- Written notes or documentation indicating follow-up efforts to reach the third-party to obtain verification; and/or
- A written note to the file indicating that the request has been outstanding without a response from the third-party; and/or
- A written note to the file explaining why second-party verification is not possible.

Program staff may accept self-certification if there is a fee associated with receiving the third-party verification (except required certified tax returns as discussed above). If the owner chooses to pay the fee to obtain the third-party verification, this cost cannot be passed on to the applicant. "I certify under penalty of law that the information contained in this declaration is true, accurate and complete to the best of my knowledge. I understand that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

Program staff must collect source documentation and ensure that this documentation meets program requirements. Verification methods may not be altered to suit circumstances or applicants. Only documentation that verifies the current rate of annual income at the time of assistance is required. The income certification process must be completed prior to receiving assistance.

## **DETERMINING PROGRAM ELIGIBILITY**

Factors to verify and consider in determining eligibility include all the following:

### Income & Assets

IHCDA will verify the income and assets of each Household member of the proposed assisted unit (all members of an owner-occupant household and all members of a tenant-occupied household) utilizing the methods and forms described above to determine income eligibility. Documentation will be placed in the client file.

### Verification of Property Ownership

IHCDA determines the applicant owns a property if one or more of the following are verified:

- Has fee simple title to the property
- Maintains a 99-year leasehold interest in the property
- Owns a condominium
- Owns or has a membership in a cooperative or mutual housing project that constitutes homeownership under state law
- For manufactured housing, land must be owned by the community land trust, must have a leasehold interest for at least 50 years or leased for a period at least equal to the duration of the affordability period. (Note: manufactured housing is NOT eligible for this program.)
- Inherited property with multiple owners where title has been passed by inheritance to several heirs, not all of whom reside in the housing. Assistance can be provided to the owner-occupant when he/she (1) is low-income, (2) occupies the housing as his/her principal residence, and (3) pays all the costs associated with ownership and maintenance of housing (e.g. mortgage, taxes, insurance, and utilities)
- Has a life estate under which the occupant has the right to live in the housing for the remainder of his or her life and does not pay rent. Assistance can be provided to the person holding the life estate, provided the person (1) is low-income and (2) occupies the housing as his/her principal residence
- A living trust where the owner of a property has conveyed his or her property to a trust for his or her own benefit or the benefit of a third-party beneficiary. In this scenario, the trust holds legal title, and the beneficiary holds equitable title. The trustee is under a fiduciary responsibility to hold and manage the trust assets for the beneficiary. Assistance can be provided to the property if all beneficiaries of the trust qualify as a low-income household and occupy the property as their principal residence. The contingent beneficiaries who receive no benefit from the trust and have no control over the assets until the beneficiary is deceased, need not be low-income. The trust must be valid and enforceable and must ensure that each beneficiary has the legal right to occupy the property for the remainder of his or her life
- A beneficiary deed conveying interest in real property, including any debt secured by a lien on real property, to a grantee beneficiary designated by the owner and that expressly states that the deed is effective on the death of the owner. Upon death of the owner, the grantee beneficiary receives



ownership in the property, subject to all conveyances, assignments, contracts, mortgages, and deeds of trust, liens, security pledges, and other encumbrances made by the owner or to which the owner was subject during the owner's lifetime. Assistance can be provided to the owner if he or she (1) qualifies as low-income and (2) occupies the housing as his/her principal residence

- Maintains an equivalent form of ownership approved by HUD

### **Property Insurance**

IHCDA will obtain either a third-party verification or source document indicating paid current property insurance coverage and levels and types of coverage on the proposed assisted property. Replacement Coverage must be equal to or greater than the assessed or appraised value and maintained at a level to cover any outstanding property debt liability plus the proposed level of HHP//HHWCD funding provided.

### **Property Taxes**

IHCDA will verify the local property taxes are current of the proposed assisted property. This information will be maintained in the client file.

### **Race & Ethnicity**

HUD requires recipients that provide HUD-funded program benefits to individuals or families to report data on the race, color, religion, sex, national origin, age, handicap (disability), and family characteristics of persons and households who are applicants for, participants in, or beneficiaries or potential beneficiaries of HUD programs in order to carry out the Department's responsibilities under the Fair Housing Act, Executive Order 11063, Title VI of the Civil Rights Act of 1964, and Section 562 of the Housing and Community Development Act of 1987. IHCDA shall use the Race and Ethnic Data U.S. Department of Housing OMB Approval No. 2535-0113 Reporting Form HUD-27061-H (**Exhibit J**). This form shall be maintained in the client file. This form will be submitted annually in January of each year.

### **Property Age**

IHCDA will verify the age of the property through local property assessment records. A copy of the record will be placed in the client file.

### **VERIFICATION OF INFORMATION FOR WEATHERIZATION REFERRALS**

IHCDA will verify other information required to determine the eligibility for units referred by local Community Action Agencies (CAP) in accordance with HUD and IHCDA policies.

### **UNIT ELIGIBILITY AND PRIORITY**

HUD's HHWCD grant funds and other matching/leveraged resources will be used in eligible privately owned, low-income rental and/or owner-occupied housing, especially in units and/or buildings where families with children under age six (6), older adults sixty-two (62) years and older, a pregnant woman or families with persons with disabilities reside in the State of Indiana. The program will use an application process in determining eligibility for receiving assistance. Public Housing Units are ineligible under this program while Housing Choice Voucher units that are privately owned are eligible. Manufactured or mobile homes are not eligible for this program.

### **Eligibility Criteria**

Family Income < 80% of Area Median Income

Renter	1. At least 50% units must be less than 50% AMI and 2. Remaining units (<50%) must be less than 80% AMI
Multifamily Renter (>5 unit in same property)	1. 20% of total number of units in same building may exceed 80% AMI 2. Remaining units must meet renter income requirements above
Owner (primary residence)	100% of owner-occupied units must be occupied by families with less than 80% AMI

- Property Tax payments are current
- Homeowners' insurance is current

- Unit not located in 100-year flood plain
- Manufactured or mobile homes are not eligible for this program

#### Unit Priority

- Units with children under the age of 6
- Adults 62 years of age and older
- A pregnant woman
- Persons with disabilities or illness which could benefit from home modification (e.g., poorly controlled asthma, Chronic Obstructive Pulmonary Disease (COPD))
- Pre 1978 housing
- Households on the weatherization deferral list
- Households with a high energy burden

Applicants must consent to having Healthy Home Hazard Assessment, Radon test, and if applicable Lead-based paint inspection/risk assessment, and Clearance Examination, if applicable, performed at their property. Notification of the possibility and nature of such testing will be coordinated and communicated to the applicant by the PM.

Applicants must also consent to having Weatherization Assistance Program services completed within the unit to address energy efficiency.

#### **WAITLIST**

Applicants will be screened and added to IHCD's program waitlist and processed according to priority as listed above, geographical location, and date the application was received.

#### **DENIAL OF AN APPLICATION**

If an applicant is denied participation in the HHP/HHWCD for not meeting any set of eligibility criteria, they will be notified in writing of the decision and their options for appealing the denial. A copy of the notification via mail or email will be placed in the applicant file.

#### **PROCESS FOR APPEAL OF AN ELIGIBILITY DECISION**

Applicants will have 10 calendar days to respond to the IHCD PM, in writing, to a denial of their application. Appeals submitted pertaining to HHP criteria identified within this manual may be considered and reviewed administratively. Appeals pertaining to HHP criteria that cannot be resolved may be presented to the IHCD Program Director for further review and consideration; these may also be presented to the HUD Grant Technical Representative (GTR) for further guidance if necessary. The applicant will be notified by email or postal mail indicating the nature and outcome of the review; appeal decisions will either approve the application for enrollment or uphold the initial denial.

#### **NOTIFICATION OF ELIGIBILITY DETERMINATION**

After all eligibility criteria has been met, the applicant will be notified and the decision documented. The applicant will be notified of the required testing to be performed including a Healthy Home Hazard Assessment, Radon Testing, Weatherization assessment and possibly a Lead Inspection/Risk Assessment once their eligibility is determined and approved by IHCD.

## CHAPTER 5- HEALTHY HOMES ASSESSMENT

IHCDA intends for Community Action of Greater Indianapolis (CAGI), or a third party contractor, to complete a Healthy Homes Hazard Assessment in each enrolled unit. Additionally, the Healthy Homes Program further allows that a Healthy Homes Hazard Assessment shall be conducted by a qualified person who has documented experience in one or more of the following:

- Healthy Homes Certified Official
- Building code official
- Weatherization Auditor
- Electrical and/or Mechanical certifications/licenses
- Public Health Inspectors
- Lead Inspectors and Risk Assessors
- Licensed home inspector

Remediation must be based on the scope of work developed following the Healthy Home hazard assessment, and the prioritization of each hazard per the Work Plan and program Policy and Procedures. IHCDA is responsible for the development, procurement, and monitoring of work completion in each unit and common area. All work completed using these funds must be performed in accordance with local, State, and Federal program requirements.

See [\*\*Policy Guidance 2018-01, Purpose and Use of Healthy Homes Funding.\*\*](#)

The Healthy Homes inspection process is a risk-based assessment and will consider the effect on the occupant health. Every effort will be made to conduct the Healthy Homes Hazards Assessment in conjunction with the energy audit and other testing to minimize disruption to the unit occupants. From the list of 29 hazards in the Healthy Homes rating chart, IHCDA has determined the following hazards, in order of priority, to be addressed based on funding:

- A radon inspection by a licensed official who will provide a report to the PM within three business days of the result. Homes that test above the EPA action level at or above 4 pCi/L of air for radon will require a bid to install a radon mitigation system.
- Lead-based paint Inspection/Risk Assessment may be requested if lead-based paint is considered a priority due to a CEBLL, or other factors are present.
- Moisture Intrusion resulting in damp and mold growth and material damage with an emphasis on roof leaks.
- Electrical Hazards- each unit's electrical system will be inspected to determine health & safety issues. Examples of items to correct include missing receptacle and junction box cover plates, ungrounded receptacles, inadequate GFCI protection, exposed wiring, open-ports with a panel box, loose electrical box, improper labeling of circuits and insufficient dedicated circuits. All items repaired will be in accordance with the Indiana State Building Code.
- Access issues of all steps and handrails will be assessed to determine if hazards exist. Examples of hazards that could be addressed are: deteriorated and/or missing handrails or guardrails, deteriorated steps, sidewalks, porches, decks, improper ramp slope, and installations not in accordance with the Indiana State Building Code.
- Structural issues to determine the threat of collapse or an element being displaced threatening occupants internally or externally.
- Carbon Monoxide and fuel combustion products- during the initial assessment the RA will determine if there are combustion appliances, smoke alarms, and carbon monoxide detectors are present. If so, the assessment will determine if the combustion appliance is properly venting, all vent components are properly aligned, and installed in accordance with the State Building Code and/or manufacturer's installation instructions. The RA will also ensure the unit has functional smoke alarms and carbon monoxide detectors installed throughout the unit in accordance with the Indiana State Building Code.
- Pests and Refuse- inadequate and unhygienic provision for storing and disposal of household waste and a unit that cannot be kept readily clean and hygienic and harbors pests will be assessed. Materials, education, and containers may be supplied to elevate the overall standard of upkeep within the unit and infestations treated by professionals in the industry.

The assessment report must include pictures and a description of each hazard noted in the Healthy Home Hazard Assessment report. The assessment must be documented on IHCDA's assessment form approved by the OLHCHH. In the case where none of the prioritized hazards exists or funding exceeds the limit, other hazards noted during the assessment may be addressed. The IHCDA PM will communicate the results and planned scope of work for approval to proceed via HHGMS.

## CHAPTER 6 – Radon testing and Mitigation

Nearly one out of three homes in Indiana is estimated to have radon levels greater than 4.0 picocuries per liter (pCi/L). Elevated radon levels can be present in any type of home regardless of whether it's new, older, basement, no basement, crawlspace, or slab-on-grade. Because changes occur in homes and the environment, IHCDCA will contract to have a licensed radon inspector test each home enrolled in the HHP/HHWCD to determine the level of radon present. If the radon level is 4.0 pCi/L or higher, IHCDCA will procure and contract a licensed mitigation company to install a system that effectively maintains the radon level below this threshold. After radon mitigation has occurred, IHCDCA will coordinate a second radon test to determine if the level is below the EPA action level. The contract will require radon mitigation to achieve levels below the EPA threshold of 4.0 picocuries per liter (pCi/L).

### Compliance and Reporting for Indiana Radon Professionals

As per 410 IAC 5.1-28(f), all Indiana licensed primary testers, laboratory testers, and mitigators are required to report all radon activity to IDOH on a form approved by IDOH. All reports are due on January 31<sup>st</sup> for data from the previous calendar year (e.g. 2024 testing /mitigation is due January 31, 2025). These forms can be found [here](#). The Indiana Radon Program is overseen by the Indiana State Department of Health (IDOH) within the Lead & Healthy Homes Program, which has the responsibility of licensing radon testers and mitigators in the State of Indiana and providing the public of Indiana information about radon and its effects.

### IHCDCA Guide to Radon Mitigation Process

1. IHCDCA's third party contractor performs a radon test
2. IHCDCA requests bids from our list of approved radon mitigation companies
3. Mitigation company contacts the homeowner and conducts a walk-through to identify problems and creates a scope of work using the appropriate radon reduction technique for the property
4. The IHCDCA PM/PD reviews the mitigation contractors bid and proposed scope of work to determine the following:
  - The bid amount is guaranteed
  - The contractor performs diagnostic tests to determine the suction point location(s) and correct pipe and fan sizing
  - Electrical work will be conducted by a licensed professional
  - There is a warranty on materials and workmanship
  - The contractor will provide basic operation/maintenance information to the property owner
  - The contractor guarantees the radon levels will be brought below the EPA action level of 4.0 pCi/L
  - The contractor will make repairs/upgrades to the system if it doesn't maintain levels below the EPA threshold of 4.0 pCi/L
5. IHCDCA evaluates and compares the contractors' bids and scope of work and selects the best qualified contractor based on procurement requirements
6. The contractor in conjunction with IHCDCA and the property owner schedules the work start date
7. The contractor initiates diagnostic testing and appropriately seals required areas (large cracks, crawl spaces, sump pits, etc.)
8. Contractor installs the mitigation system (i.e. suction pit or ventilation, pipe routing, etc.).
9. Contractor provides basic operation/maintenance information to the property owner regarding the system operations
10. Contractor notifies IHCDCA the system is complete and operational
11. IHCDCA's third party contractor tests the system and submits the report
12. IHCDCA notifies the radon mitigator and property owner of the results
13. If the system passes, the PM provides a copy of the report to the property owner
14. IHCDCA conducts a site visit of the property to view the mitigation system
15. If all complete, the PM submits a payment request to the contractor
16. IHCDCA uploads all documentation into HHGMS and the property file

**Radon Standards of Practice**

Radon mitigation contractors shall use the EPA standards located [here](#) to design and install systems for all HHWCD projects where radon has been identified as a hazard.

Indiana-EPA Map of Radon Zones

## CHAPTER 7- LEAD PAINT INSPECTION, RISK ASSESSMENT

### REQUIREMENTS FOR TESTING

A complete Lead-based Paint Inspection and Risk Assessment (LIRA) is required for all pre-1978 housing units where a child less than six (6) resides. The related lead paint inspection and risk assessment report will remain valid for use in the HHP for twelve months from the date of the original inspection. All LIRA reports must be submitted to the IHCD PM for review before beginning the Tier II Environmental Review process.

Costs associated with lead hazard testing include Lead Inspection, Lead Risk Assessment, and Clearance Testing. The maximum for this line item is approximately \$1,075.00.00 per unit and may be adjusted based on current market costs.

See [Policy Guidance 2013-01](#), Lead Inspection-Risk Assessment Reporting and Documentation.

***\*Presumption of lead-based paint based is not permitted***

### PROTOCOL FOR TESTING

Testing will be performed consistent with Chapters 5 and 7 of the HUD *Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing* and [Policy Guidance 2013-01](#).

### LEAD-BASED PAINT INSPECTION & RISK ASSESSMENT

All Lead Inspectors, Risk Assessors, Clearance Examiners, Lead Abatement Project Supervisors, Lead Abatement Contractors, and Lead Workers are required to be licensed in Indiana. Licenses, training, and certifications will be verified by the IHCD PM before entering a contract. Lead inspections and risk assessments must follow the procedures as defined in the HUD *Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing* and as defined by the policies of the Lead Hazard Reduction Demonstration Grant Program. All persons performing the lead inspections and risk assessment must adhere to [Policy Guidance 2013-01](#), *Conducting Lead-Based Paint Inspections and Risk Assessments for Lead-Based Paint and Lead-Based Paint Hazards*. Once complete, the LIRA must be submitted to the IHCD for review.

All testing, sampling and laboratory analysis for lead must comply with the [Lead Safe Housing Rule](#) (LSHR) and conform to the current HUD Guidelines, the EPA lead hazard standards at 40 CFR part 745, and federal, state, or tribal regulations developed as part of the appropriate contractor certification program, whichever is most protective of children. All laboratory analyses conducted on paint chips, soil and dust samples must be performed by an environmental laboratory recognized by the EPA under the National Lead Laboratory Accreditation Program pursuant to the Toxic Substances Control Act (15 U.S.C. 2685) (See the list of laboratories at [www.epa.gov/lead/national-lead-laboratory-accreditation-program-list](http://www.epa.gov/lead/national-lead-laboratory-accreditation-program-list)).

In accordance with [Policy Guidance 2017-01 Rev 1](#), IHCD will use the following dust-lead action levels (or lower levels if required by local, state or tribal authorities having jurisdiction), where the unit µg/sf means “micrograms of lead per square foot sampled” (this unit can also be written as µg/ft<sup>2</sup>).

Dust-Lead Action Levels	
Floors	≥ 10 µg/sf
Window Sills	≥ 100 µg/sf

A full lead inspection and risk assessment must be conducted when directed by IHCD. Because Healthy Housing funds are provided to control residential lead-based paint hazards rather than to rehabilitate housing, lead evaluation activities must comply with the following requirements:

1. Specifications (scopes of work) for lead hazard control will be established directly from the lead inspection and risk assessment reports and address all identified lead-based paint hazards in the property. Once complete, the Scope of Work must be submitted to the IHCD PM for review.
2. From the Lead Inspection, the only allowable language to describe the paint condition of each component tested is ***“Intact” or “Deteriorated.”*** ***Handwritten XRF results are not acceptable.***
3. Partial or limited lead-based paint inspections and risk assessments are not acceptable and will not be

reimbursed by IHCD. All rooms accessible to children must have dust samples taken for the risk assessment. Composite sampling is not acceptable. The IHCD PM will review and approve all testing, and clearance examinations.

4. HHP/HHWCD funds may cover “minimal rehabilitation” activities when those activities are specifically required to perform effective hazard control, and without which the hazard control could not be completed, maintained, and sustained. Minimal rehabilitation activities must be identified and documented in the LIRA and conducted in accordance with [Policy Guidance 2008-02, Undertaking Minimal Rehabilitation Using OHHLHC Grant Funds.](#)
5. For the appropriate steps to take when addressing lead dust hazards in carpeting please refer to [Policy Guidance 2013-04, Lead Hazard Evaluation and Control of Lead Dust Hazards in Carpeting.](#)
6. Samples for clearance shall be taken from all rooms after lead hazard control activities are completed and the testing procedures must follow Chapter 15 of the [HUD Guidelines.](#)
7. Properties whose lead-based paint evaluation report documents (inspection/risk assessment) do not contain the required information per the HUD Guidelines and this policy guidance will not be eligible for reimbursement of evaluation or control activities.
8. If soil samples are not collected it must be clearly documented as to why they weren't. If samples were not taken due to weather, a plan to return and conduct the samples must be provided.

The lead inspector/risk assessor must determine the lead-based paint classification of all surfaces by properly categorizing and testing each “testing combination” in each room equivalent in accordance with Chapter 7 of the HUD Guidelines. A testing combination is a unique combination of room equivalent, building component type, and substrate.

- All lead-based paint inspections and risk assessment reports must be conducted and documented in accordance with Chapter 5 and 7 of the HUD Guidelines.
- All lead-based paint inspections, risk assessments and hazard control work must be completed by firms licensed for, and persons trained, licensed, and certified for, the specific work conducted.
- Consistent with the Guidelines, every room equivalent must be identified in the property sketch and every building component must be represented in the sampling scheme (identified in the XRF test result report) used to test a property.
- You must conduct a complete and full lead-paint inspection and risk assessment for each unit assisted with HHP/HHWCD funds. Partial or limited lead-based paint inspections and risk assessments are not acceptable for this program and will not be reimbursed by HUD.
- Composite sampling for the risk assessment and clearance of lead hazards is not authorized under the HHP or HHWCD.

Recognizing that windows are costly, clear justification is required when being replaced. Interim controls should be the first approach to addressing LBP hazards. HHWCD funding may be used to replace windows for energy efficiency purposes and/or to assist in mitigation of other Healthy Homes hazards, such as moisture intrusion. Additionally, windows containing LBP hazards having damaged components or substrate beyond repair may be eligible to be replaced but must meet the following requirements.

1. Testing of only a single window (or even a few windows) as representing a testing combination for the entire property (interior and exterior) is not allowable, even if all the windows are of identical construction and painting history. Therefore, all windows in the unit must be tested. (This required practice is more stringent than the HUD Guidelines in Chapter 7 for performing inspections)
2. If the scope of work based on the LIRA requires that more than five (5) windows be replaced in a property with the cost charged to HHP/HHWCD grant funds, you must document each window being replaced with either a) XRF readings from each window and b) a photo of each window must be included in the risk assessment report c) complete and accurate description of window condition must be forwarded to the IHCD PM for review and submission to the HUD GTR for approval.
3. Failure to clearly and accurately document the need to replace windows under OLHCHH Policy Guidance 2013-01 will result in the disallowance of associated expenses.
4. Windows replaced with HHP funds must contain lead-based paint hazards not merely lead-based paint. HHP grant funds may not be expended to address intact lead-based paint. This distinction is critical and must be clearly outlined in the LIRA.



Window and door repairs or replacement offer opportunities for inter-program collaboration. Windows and doors coated with lead-based paint can create lead-contaminated dust through friction or impact and can also, independent of their paint, be a source of moisture intrusion into the home. Windows and door repairs or replacement can also be an allowable ECM for Weatherization if program requirements are met. When HHWCD funds are used for a home intervention, grantees will be allowed greater flexibility for the replacement of windows and/or doors than under the WAP program, as long as the replacement will improve safety and/or energy conservation, even if the Savings to Investment Ratio (SIR) is less than 1.0. IHCD must justify why the windows and/or doors are being replaced; adequate justification would be improved energy conservation and/or mitigation of a health and safety hazard (e.g., water leaks, presence of lead-based paint hazards).

## **I-LEAD**

A copy of each completed inspection/risk assessment reports must be given to a homeowner, rental property owner and tenant in accordance with 24 CFR 35, subpart B. The lead inspector/risk assessor will ensure all risk assessments and clearance examinations are uploaded into the State of Indiana's [I-LEAD](#) system. Once uploaded, a certificate will be available to download and attached to the LIRA report.

## **DISCLOSURE**

Property owners shall disclose the presence of any known lead-based paint and/or lead-based paint hazards in target housing being sold or leased and the existence of any available records or reports pertaining to lead-based paint and/or lead-based paint hazards. Contractors are responsible for providing to the occupant and property owner all the following documents during the process: EPA Protect Your Family Form Lead in Your Home and EPA Lead-Safe Certified Guide to Renovate Right brochure. IHCD shall provide the Lead Inspection/Risk Assessment Report, Lead Hazard Control Plan and/or Healthy Home inspection report, the work specifications, and Lead Clearance Report. IHCD and the contractor shall obtain signatures or email confirmation from the occupant and/or property owner of receipt of these reports.

## **DEFINITION OF LEAD BASED PAINT**

Paint or other surface coatings that contain lead equal to or more than 1.0 milligram per square centimeter or 0.5 percent by weight.

## **LEAD BASED PAINT INSPECTION REPORT**

A lead-based paint inspection and risk assessment report (LIRA) will be prepared for each unit. The LIRA will be provided to the property owner and tenant occupant and submitted electronically to the IHCD Program Director. Through the methods and requirements described in the [Chapter 7 page 7-32 of the HUD Guidelines](#), the lead paint inspection will at a minimum contain the following:

- Date of Inspection.
- Address of each building/unit.
- Apartment number if applicable.
- Picture of Property on the cover page
- Date of construction of buildings.
- Name, address, and telephone number of each owner of each building.
- Name, signature, and license number of the lead inspector.
- Name, address, and telephone number of the company employing each licensed risk assessor if applicable.
- Each testing method and device and/or sampling procedure employed for paint analysis, including quality control data and, if used, the serial number of any x-ray fluorescence (XRF) device.
- The name of the instrument manufacturer and model number, as well.
- Specific locations of each painted component tested for the presence of lead-based paint and if the painted surface is "intact" or "deteriorated."
- The numbering system or sketches that identify building components and room equivalents.
- The results of the inspection expressed in terms appropriate to the sampling method used—the report should start with a plain-language summary of the results of the inspection.
- As part of its overview of the results of the inspection, the summary should answer two questions:
- Is there lead-based paint in the house?
- If lead-based paint is present, where is it located?



- The report should include the final classification of all testing combinations into positive or negative categories, including a list of testing combinations, or building component types and their substrates, which were classified but not individually tested.
- Tables or listings of all XRF readings (including calibration check readings), and of the results of any paint-chip analyses that were performed (including the name, address, telephone number and NLLAP recognition number of the laboratory that conducted the analyses). If codes or abbreviations for building components and/or locations have been used to shorten the time needed for data entry, the inspection report must include a table showing their meaning.
- ***The LIRA report shall list each room by name and not by a number code***

## **RISK ASSESSMENT REPORT**

Through the methods and requirements described in the (40 CFR 745.227(d)(11)), the risk assessment report will contain at a minimum:

- Date of assessment.
- Address of each building/unit.
- Date of construction of buildings.
- Apartment number if applicable.
- Picture of the property on the cover page
- Name, address, and telephone number of each owner of each building.
- Name, signature, and license number of the risk assessor.
- Name, address, and telephone number of the company employing each licensed risk assessor if applicable.
- Name, address, and telephone number of each recognized laboratory conducting analysis of collected samples.
- Results of the visual inspection.
- Testing method and sampling procedure for paint analysis employed.
- Specific locations of each painted component tested for the presence of lead.
- All data collected from on-site testing, including quality control data and, if used, the serial number of any XRF device.
- All results of laboratory analysis on collected paint, soil, and dust samples. (***Dust Samples are required***)
- Any other sampling results.
- Photos.
- To the extent that they are used as part of the lead-based paint hazard determination, the results of any previous inspections or analyses for the presence of lead-based paint, or other assessments of lead-based paint-related hazards.
- A description of the location, type, and severity of identified lead-based paint hazards and any other potential lead hazards.
- A description of interim controls and/or abatement options for each identified lead-based paint hazard and a suggested prioritization for addressing each hazard. If the use of an encapsulant or enclosure is recommended, the report shall recommend a maintenance and monitoring schedule for the encapsulant or enclosure.
- ***The LIRA report shall list each room by name and not a number code***

## **LEAD HAZARD CONTROL**

The HHP/HHWCD will use a combination of interim controls and abatement activities as the approach for addressing units enrolled in the HHP/HHWCD and lead-based paint is priority. All interior and exterior lead-based paint hazards identified must be addressed as per [Policy Guidance 2002-03, Elimination or Control of all Identified Lead-Based Paint Hazards](#).

A person performing interim controls must be supervised by an individual licensed as a lead-based paint Project Supervisor or have completed successfully one of the following lead-safe work practices courses, except that this supervision or lead-safe work practices training requirement does not apply to work that disturbs painted surfaces less than the *de minimis* limits of §35.1350(d) of the Lead Safe Housing Rule:

- A lead-based paint abatement supervisor course accredited in accordance with 40 CFR 745.225.

- A lead-based paint abatement worker course accredited in accordance with 40 CFR 745.225.
- *A renovator course accredited in accordance with 40 CFR 745.225.*
- “The Remodeler's and Renovator's Lead-Based Paint Training Program,” prepared by HUD and the National Association of the Remodeling Industry; or
- Another course approved by HUD for this purpose after consultation with EPA.

All lead abatement work conducted under this program requires an Indiana licensed abatement contractor, licensed abatement supervisor, and licensed abatement workers to perform lead hazard control activities. Each licensed person must work for an appropriately licensed and certified firm. *EPA RRP certification alone is NOT sufficient for work under this program* that includes measures designed to *permanently* eliminate lead-based paint hazards including but not limited to window and substrate remove and replacement activities.

Contractors are not permitted to engage in practices prohibited under HUD’s Lead Safe Housing Rule at 24 CFR 35.140, EPA’s RRP Rule at 40 CFR 745.83(a)(3), or EPA’s lead abatement rule at 40 CFR 745.227(e)(6). Lead hazard control costs must be in accordance with [\*Policy Guidance 1997-01, Lead Hazard Control Costs\*](#).

## STANDARDS OF TREATMENT

The control or elimination of all lead-based paint hazards identified in housing units and in common areas of multi-family housing through either interim controls or lead-based paint abatement, or a combination of both. For a complete description of interim controls and abatement, see Chapter 11 and 12 of the [\*HUD Guidelines\*](#).

## PROHIBITED WORK PRACTICES

Contractors shall perform lead hazard control activities in accordance with the *HUD Guidelines for the Evaluation and Control of Lead Based Paint Hazards in Housing*. Prohibited methods include:

- Open flame burning or torching of painted surfaces.
- The use of machines (such abrasive blasters and sandblasters) designed to remove paint or other surface coatings is prohibited unless the machine has a shroud or containment systems and is equipped with a HEPA vacuum attachment to collect dust and debris at the point of generation.
- Operating a heat gun on painted surfaces above 1,100 degrees Fahrenheit. Additional methods of paint removal prohibited by *HUD’s Lead Safe Housing Rule*.
- Dry sanding or dry scraping, except dry scraping in conjunction with heat guns or within 1.0 ft. (0.30 m.) of electrical outlets, or when treating defective paint spots totaling no more than 2 sq. ft. (0.2 sq. m.) in any one interior room or space, or totaling no more than 20 sq. ft. (2.0 sq. m.) on exterior surfaces.
- Heat guns that char paint.
- Paint stripping in a poorly ventilated space using a volatile stripper that is a hazardous substance in accordance with regulations of the *Consumer Product Safety Commission at 16 CFR 1500.3*, and/or a hazardous chemical in accordance with the *Occupational Safety and Health Administration regulations at 29 CFR 1910.1200 or 1926.59*, as applicable to the work.

OSHA’s Lead in Construction standard prohibits the use of compressed air to remove lead from any surface unless used in conjunction with a ventilation system designed to capture the airborne dust created by the compressed air.

These Guidelines recommend against the use of uncontained hydro-blasting. Removal of paint using this method can spread paint chips, dust, and debris beyond the work area containment. Contained pressure washing can be done within a protective enclosure to prevent the spread of paint chips, dust, and debris. Water runoff should also be contained (see Chapter 8). (See Chapters 11 and 12).

All lead-based paint testing results, summaries of lead-based paint hazard control treatments, and clearances must be provided to the owner of the unit, together with a notice describing the owner’s legal duty to disclose the results to tenants and buyers (see 24 CFR 35.88 of the Lead Disclosure Rule). IHCD will ensure this information is provided in a manner that is effective for persons with disabilities (24 CFR 8.6) and those persons with limited English proficiency (LEP) will have meaningful access to it (see Executive Order 13166). Grant files will contain verifiable evidence of providing lead hazard evaluation and control reports to owners and tenants, such as a signed and dated receipt.

A Lead Abatement Notification letter must be sent to Indiana State Department of Health at least two working days before any Lead Abatement activity can proceed. A licensed supervisor must be onsite and available to workers and responsible for direct supervision of workers during all:

- Work site preparation
- Abatement activities
- Post abatement cleanup of work areas

The ISDH Lead Abatement Notification and Monitoring requirements for the State of Indiana can be found [here](#).

#### **ABATEMENT CONTRACTOR RESPONSIBILITIES IAC 410 IAC 32**

- Notify the Indiana State Department of Health in advance of each abatement project
- Design each abatement project within State and Federal regulations
- Complete a pre-abatement lead inspection or lead hazard screen using only licensed personnel
- Use appropriately state licensed personnel for all abatement activities
- Post all state licenses at the work site
- Maintain a licensed Project Supervisor on-site during all site preparation, abatement activity, and site cleanup
- Complete all abatement work using LEAD SAFE WORK PRACTICES
- Follow all work with a post-abatement clearance conducted by a licensed Risk Assessor or Lead Inspector
- Maintain proper records including a description of the abatement project design, start up and completion dates, occupant protection plans, receipts from waste disposal sites
- Retain all records for 3 years
- Allow reasonable access to the worksite by ISDH environmental staff
- Allow reasonable access to all pertinent records of the project by ISDH environmental staff

Contractors must observe the procedures for worker protection established in the current HUD Guidelines, as well as the requirements of the Occupational Health and Safety Administration (OSHA) (in particular, 29 CFR 1910.1025, Lead, and/or 29 CFR 1926.62, Lead Exposure in Construction, as applicable), or the state or local occupational safety and health regulations, whichever are most protective.

There are two factors that require special consideration when evaluating the cost of making a unit lead- safe: 1) the condition of the unit; and 2) the grant to value ratio. If the structure is in very poor condition and requires major rehabilitation before LBP hazard control can take place, other sources of funding must be found to bring this structure "up to code." The HHP/HHWCD is not a substitute for a housing rehabilitation program. While it does allow for minimal rehabilitation actions such as patching a leaky roof to ensure the viability of hazard reduction activities, grant funds cannot be used to carry out major rehabilitation. Refer to [Policy Guidance 1997-01, Lead Hazard Control Costs](#). Costs for treatment options vary considerably from one locale to the next and are subject to market conditions, making it difficult to provide estimates. However, the risk assessor should, at a minimum, indicate the order in which acceptable hazard control options for a given hazard fall in terms of relative initial cost. In addition to cost, the risk assessor should identify the feasibility of treatments, considering whether they are unlikely to be effective or are suitable to eliminate the hazards. In all circumstances, the responsibility rests with the grant program when determining the appropriate treatment plan.

Note: If costs associated with lead remediation are expected to exceed the established per-unit caps for the HHP and/or HHWCD programs, IHCDCA will meet internally to determine if that need would be most appropriately met through the LHR program focused primarily on remediation of the lead concerns within the unit. IHCDCA recognizes that the LHR grant establishes preference for homes in which a child under the age of six (6) resides but allows for 10% of total units completed to fall outside of those criteria; units completed within that 10% are at IHCDCA discretion and will be determined internally on a case-by-case basis. If IHCDCA determines not to move forward with a unit due to the high cost, the unit may be deferred for future consideration if funding availability permits. IHCDCA also notes that Development Fund match monies exist which may also be utilized if a unit is moved to the LHR program due to high cost.

In determining the appropriate steps to take when addressing lead dust hazards in carpeting and other similar surfaces, and the documentation requirement for such activities refer to [Policy Guidance 2013-04, Lead Hazard Evaluation and Control of Lead Dust Hazards in Carpeting](#).

### **Clearance**

Lead-based paint is defined by the EPA as paint or other surface coatings that contain lead equal to or more than 1.0 mg/cm<sup>2</sup> by XRF or more than 0.5% by weight (AAS). Clearance standards set by [Policy Guidance 2017-01, New Policy for Dust-Lead Action Levels for Risk Assessment and Clearance](#).

Floors	< 10 ug/ft <sup>2</sup>
Interior windowsills	< 100 ug/ft <sup>2</sup>
Window troughs	< 100 ug/ft <sup>2</sup>
Porches	< 40 ug/ft <sup>2</sup>

Prior to final acceptance of the lead hazard reduction work and all rehabilitation work, the property is to be cleaned in accordance with [Chapter 14 of the HUD Guidelines](#). The contractor shall re-clean all applicable components and surfaces and pay for all additional clearance dust sampling if any dust sample in the original clearance test exceeds these standards.

Clearance examinations shall include a visual assessment, dust sampling, submission of samples for analysis for lead in dust, interpretation of sampling results, and preparation of a report. Soil sampling is not required. Clearance examinations shall be performed in dwelling units, common areas, and exterior areas in accordance with this section and the steps set forth in [Chapter 15 of the HUD Guidelines](#).

### **CLEARANCE REPORT PREPARATION**

IHCDA will provide the client with a report documenting the results of the clearance test. EPA specifies the required contents for an abatement report at 40 CFR 745.227(e)(10). HUD specifies the required report contents for non-abatement projects in units covered by the Lead Safe Housing Rule at 24 CFR 35.1340(c). A checklist-based worksheet (Form 15.4 in the HUD Guidelines) covers both requirements. The report should include a one-page summary at the beginning of the report that is suitable for communication with residents, as well as a complete file of the visual assessment(s) form(s) and the dust sampling results form(s). The summary should contain the following information:

1. The address of the property where the clearance area is located.
2. A description of the area(s) covered by the clearance examination, including, as applicable, the specific dwelling units or common areas covered by the clearance and the specific rooms and exterior spaces.
3. The name and address of the client.
4. A summary of the results of the visual assessment. (The clearance examination should be stopped if the visual assessment fails.)
5. A summary of the results of the dust testing, which should include either:
6. A statement that no dust-lead hazards, as defined by the relevant EPA, State, Tribal or local standards, were found in the clearance area, and the date of the dust sampling; or
7. A statement that dust-lead hazards were found in the initial examination, identifying the date of the initial examination, the rooms, and surfaces where dust-lead hazards were found, including any unsampled rooms and surfaces represented by the samples, and stating the dust-lead levels found.

8. If dust-lead hazards were found in a second or later round of dust sampling, a similar summary of the results of the dust testing should be provided for each round separately.
9. If the initial or later round of sampling found no dust-lead hazards, the report of a successful clearance examination should contain a statement that, based on visual assessment and dust sampling on the specific sampling date, no dust-lead hazards, as defined by the relevant EPA or State, Tribal or local standards, were found.
10. Identification of the clearance examiner(s), including the name of the clearance examiner, the name of the examiner's firm or organization, business address and telephone number, and the examiner's license or certification number.
11. Identification of the laboratory, including the name, address, telephone number, and NLLAP number.
12. The signature of the clearance examiner, with date
13. The Clearance report shall list each room by name and not a number code

All soil, paint, dust, and clearance samples are submitted to a laboratory recognized by EPA's National Lead Laboratory Accredited Program (NLLAP). Clearance testing must be conducted on all units where a lead inspection and risk assessment has identified lead-based paint hazards. *Hazards below de minimis levels do not exempt the unit from a clearance test.*

### **AGE OF REPORTS**

For applicability to the HHWCD program, the Lead Paint Inspection & Risk Assessment must be dated less than one year prior to the commitment of HHWCD funds. These funds are considered committed at the time a written agreement between IHCD and the grant beneficiary (property owner) is executed.

### **DATA SHARING**

IHCD shall submit all required documents to the OLHCHH through the Healthy Homes Grant Management System (HHGMS). All applicable information shared internally and externally will be in accordance with HIPPA regulations.

## CHAPTER 8 – ENVIRONMENTAL REVIEW RECORD AND SECTION 106 HISTORIC REVIEW PROCESS

The National Environmental Policy Act of 1969 (NEPA) requires that environmental consequences are reviewed and alternatives considered for most federally assisted actions before decisions are made and before actions are taken. Therefore, an “Environmental Review Record” is required as part of the development due diligence process. IHCD A will assume the environmental review responsibilities for the National Environmental Policy Act (NEPA) and related laws and authorities as implemented at 24 CFR Part 58 in accordance with [\*Policy Guidance 2000-01, Revised Environmental Review Procedures and Requirements\*](#).

The National Historic Preservation Act of 1966 requires agencies to consider the impact of their federally funded developments on historic properties. This process is commonly known as “the Section 106 review.” The ERR and the Section 106 processes are separate and distinct processes with different guiding regulations. IHCD A has combined the two processes into one process because both are federally required for IHCD A funding sources received from the Department of Housing and Urban Development.

Through HEROS online system for developing, documenting, and managing environmental reviews, IHCD A will treat units as a Tiered Review and conduct the Tier 1 and 2 reviews. No work shall commence until the unit receives Tier 2 approval. See [\*Policy Guidance 2008-03, Conducting Lead Inspections and Risk Assessments Prior to Environmental Review/Request for Release of Funds\*](#).

## **CHAPTER 9 – SPECIFICATIONS AND BIDDING**

### **PROTOCOL FOR WRITING PROJECT SPECIFICATIONS**

A set of work specifications for each unit will be prepared by CAGI, or third party contractor, based upon the healthy home assessment, radon inspection, energy audit, and, if applicable, a lead paint inspection/risk assessment; this will include line-item cost estimates. The scope of work must identify all windows needing addressed in one location/line item and the room listed rather than separately in each room line item.

The work specifications shall be written to address all healthy home hazards, radon issues, and lead hazards to include any minimal rehabilitation, in accordance with [Policy Guidance 2008-02, Undertaking Minimal Rehabilitation](#) needed to make the repair. All work specifications must be reviewed and approved by the IHCD PM and/or PD prior to requesting bids.

A combination of methods of paint stabilization, interim controls, and abatement will be specified based upon the cost effectiveness and availability of funding. The maximum per-unit HHP cost shall be \$10,000 and maximum HHWCD cost shall be \$10,000. Requests to exceed this subsidy limit must be justified and approved by the IHCD Program Director and then requested through HHGMS for a determination by the program GTR.

### **SPECIFICATIONS FOR OTHER REHABILITATION**

Matching funds to be used in conjunction with the HHP/HHWCD program shall be specified separately from HHP/HHWCD grant funded work. There is no match requirement or availability for either the HHP or the HHWCD.

### **SPECIFICATIONS FOR ENERGY AUDIT/WEATHERIZATION**

CAGI will conduct the necessary energy audit as required per Weatherization standards and provide the results in writing to IHCD PM upon completion and whenever possible, in conjunction with the Healthy Homes Hazards assessment. This will allow for creation of integrated project specifications and the ability to best streamline the workflow for each unit. If Healthy Homes project tasks would be anticipated to significantly impact the Energy Audit (EA), the EA will be conducted following completion of the Healthy Homes work.

### **PROPERTY OWNER AGREEMENT OF WORK SPECIFICATIONS**

IHCD will obtain original or electronic signatures from the tenant and/or property owner regarding their agreement to the scope of work on the provided HHP/HHWCD Participation Agreement. A copy will be maintained in the unit project file.

### **REVIEW OF WORK SPECIFICATIONS**

The Program Manager will review the work specifications, to the greatest extent feasible, within 3 business days and notify CAGI and/or third party contractor by email or phone if approved or for further clarification. A copy of all communications and change orders shall be maintained in an electronic format for each unit project.

### **RESPONSIBLE RESPONDENT REQUIREMENTS**

IHCD shall not award any contract until the selected respondent has been determined to be responsible. A responsible respondent must:

1. Have adequate financial resources to perform the project, or the ability to obtain them;
2. Be able to comply with the required or proposed delivery or performance schedule, taking into consideration all the Respondent's existing commercial and/or governmental business commitments;
3. Have a satisfactory performance record with other IHCD partners/recipients (if applicable);
4. Have a satisfactory record of integrity and business ethics;
5. Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them;
6. Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them;
7. Have supplied all requested information;
8. Be legally qualified to contract in the State of Indiana and if it is an entity described in IC Title 23, and must be properly registered, and owes no outstanding reports to the Indiana Secretary of State (There is a fee to register with the Secretary of State); and
9. Be otherwise qualified and eligible to receive an award under applicable laws and regulations, including not be suspended or debarred. If a prospective contractor is found to be non-responsible, a written determination of



non-responsibility shall be prepared and included in the official file for this RFQ, and the respondent shall be advised of the reasons for the determination.

### **WARNING SIGNS (Lead-based paint)**

Post warning signs on the building and at a 20-foot perimeter around the building (or less if distance to next building or sidewalk is less than 20 feet). Warning signs should be in a language understandable to residents (see Figures 8.10 and 8.11) of the *HUD Guidelines*. Recommended wording is: “Warning. Lead Work Area. Poison. No Smoking or Eating.” Some states have specific sign requirements, and wording can be adapted as appropriate to project-specific conditions. See EPA’s RRP rule for sign requirements for renovations. You may also use barrier tape (see Figure 8.16).

### **SECURITY (Lead-based paint)**

In accordance with the *HUD Guidelines*, when required, erect temporary fencing or barrier tape at a 20-foot perimeter around working surfaces (or less if distance to the next building or sidewalk is less than 20 feet). If practical, require use of an alternative entryway for any entrance within 20 feet of working surfaces. If not, install a shroud, simple airlock flap, and tack pad, as described above. Use a locked metal bin, locked covered truck, or locked room to store debris securely before disposal.

### **CLEAN-UP (Lead-based paint)**

Cleanup should be conducted at the end of each workday, the end of each work shift when work is being done on more than one shift, or when workers are finished in one exterior work area and moving to another, whichever is soonest.

- Remove debris and paint chips and wet clean all horizontal surfaces on the building (e.g., exterior windowsills and exposed window troughs, porches, balconies, railings) within 20 feet from working surfaces.
- Remove debris and paint chips from the protective sheeting.
- Dispose of water that has collected on the protective sheeting in accordance with local rules (usually flushing it down a toilet is acceptable, but do not dump it down a storm drain or a sink, tub, or shower). + Clean (either vacuum or wet clean) the protective sheeting. After cleaning:
- Fold protective sheeting inward to avoid contamination of the environment. Do not reuse protective sheeting.
- Visually inspect for and remove any debris and paint chips from the ground, walkways, gardens, shrubbery, and play areas. Refer to Chapter 14 for further guidance on cleaning before, during, and after hazard control and other paint-disturbing work.
- Do not leave debris or protective sheeting out overnight (or after the final work shift of the day).
- Keep all debris, protective sheeting, and other disposable material in a secured area that will not allow release of the material, until final disposal. (See Section III.C.4, above.)

### **LEAD WASTE DISPOSAL**

The handling of waste disposal must adhere to the requirements of the appropriate local, state, and federal regulatory agencies, *Chapter 4 of the HUD Guidelines* and [\*Policy Guidance 2001-02, EPA Policy on Excluding LBP Wastes from RCRA Hazardous Waste Requirements\*](#).

### **EXTERIOR CONTAINMENT (Lead-based paint)**

Attach two layers of 12' wide plastic sheeting to the building perimeter extending 10' past the work area. Construct a worksite perimeter curb of 2" x 4" timbers wrapped under the containment. After installation of appropriate ground containment create an outer barrier of flags or plastic tape away from the work site. Close and lock all windows and doors from the interior on the work site elevation. Reference [\*Chapter 8 of the HUD Guidelines\*](#) for all required procedures.

### **INTERIOR WORKSITE PREPARATION (Lead-based paint)**

*Chapter 8 of the HUD Guidelines* provide, in Table 8.1, has two sets of recommendations for interior work (not including windows) – one for “low-dust” jobs and one for “high-dust” jobs. Chapter 8 Section III (d) provides guidance on worksite preparation for windows.



## ELIGIBLE CONTRACTORS

A database of Program-approved, eligible contractors will be developed for the HHP program by the IHCD Healthy Homes Analyst and continually updated throughout the grant period. Eligible Contractors must meet the following requirements:

1. Radon inspectors and mitigation companies must be licensed and insured as per 410 IAC 5.1-28(f), all Indiana Licensed Primary Testers, Laboratory Testers, and Mitigators are required to report all radon activity to IDOH on a form approved by IDOH.
2. Lead Abatement contractors must be currently licensed in the State of Indiana. Each contractor must have at least one licensed Lead Abatement Supervisor and all Lead workers must also be licensed. Licenses will be verified by IHCD. Workers performing interim controls must be supervised by an individual licensed as a lead-based paint Project Supervisor or have completed successfully one of the following lead-safe work practices courses, except that this supervision or lead-safe work practices training requirement does not apply to work that disturbs painted surfaces less than the de minimis limits of §35.1350(d) of the Lead Safe Housing Rule.

\*See [Policy Guidance 2002-02](#), Use of Contractors Trained in Lead-Safe Work Practices to Conduct Interim Controls in Housing Being Treated Under the Grant Program.

3. Contractors performing healthy home repairs that may disturb paint must be an EPA approved RRP certified Firm. Their EPA certificate must be submitted to the IHCD PM. Paint testing is not required by the RRP Rule, but unless you have documentation that the paint is not lead-based, then the requirements of the [RRP Rule apply](#). A “certified renovator” must be assigned to each job, and all involved individuals trained in the use of lead-safe work practices.
4. All contractors must provide their licenses and/or certifications to the IHCD Program Director for review and verification.

## CONTRACTOR INSURANCE

1. Contractors will be required to provide proof of adequate builder’s risk insurance to include contractor liability and/or property insurance that includes coverage for work done by contractors during construction. Policy Requirements:
2. If a contractor liability policy is used, it must name IHCD as additionally insured.
3. If a builder’s risk policy is used, it must name IHCD as both a loss-payee and an additionally insured.
4. If a homeowner policy is used, nothing needs to be added to the policy. Once the lien is placed on the home, the entity placing the lien automatically becomes a loss payee.
5. The builder’s risk or contractor liability policy can be in the name of the recipient, contractor, owner of the property, or sub-recipient.
6. The builders risk coverage must be for the replacement value of the property, increasing as appropriate throughout the construction period to the full replacement value at construction completion.
7. The value of the contractor liability must be, at a minimum, for the replacement value of the property. Additionally, if the contractor employs persons, the policy must also include workers compensation.
8. The value of the property insurance must be, at a minimum, for the replacement value of the property.

\*Reference [Chapter 5](#), Section L of the IHCD Program Manual for more detail on Insurance requirements.

**Bonding-** For any construction contracts or subcontracts exceeding \$100,000 please reference Chapter 5, Section M of the IHCD Program Manual.

**Equal Opportunity Employment** – All contracts awarded (including small purchases) must contain the following federally mandated provision:

- Equal Employment Opportunity -Executive Order 11246: Equal Opportunity Clause, goals for female and minority participation and implementing regulations
- The contractor and any subcontractors shall comply with E.O. 11246, “Equal Employment Opportunity,” as amended by E.O. 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and as supplemented by regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, and Department of Labor.”

**Other required licenses or certifications** – Plumbing, Electrical, HVAC where required by the local municipality shall be verified and maintained in the project file.

W-9 Form – Contractors must submit a Taxpayer Identification Number and signed W-9 Form to be submitted to IHCD's PM to comply with IRS and State Department of Revenue requirements.

**HUD debarment** – No contract award may be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines on debarment and suspension at 2 CFR part 180.2. A verification of such will be performed by the IHCD PM prior to executing the contract by searching the [SAM for an active Unique Entity ID \(UEI\)](#).

**Minimum 1-year Warranty** – The Contractor shall agree to warranty all work, materials, and workmanship for a minimum of one (1) year.

IHCD is responsible for completing the OLHCHH, "Checklist to Determine Sub-recipient or Contractor Classification" for each Sub-Recipient or contractor **receiving funds greater than \$10,000** listed on line item 7 of the Budget Worksheet (HUD Form 424-CBW). The OLHCHH Grant Technical Representative will approve or disapprove the classification determination **in writing** for each entity submitted by IHCD before, during, and after the grant in accordance with [Policy Guidance 2019-01, Determining Sub-recipient or Contractor Classification](#).

## CHAPTER 10- PROCUREMENT AND CONTRACTS

IHCDA will follow our internal competitive procurement standards. There are four (4) allowable methods of procurement, depending on the type of goods or services being procured and who is doing the procurement.

1. Competitive sealed bids
2. Competitive negotiation
3. Small purchases
4. Non-competitive and sole source purchases

No contract award may be made to parties listed on the government-wide exclusions in the System for Award Management (SAM) or Federal Awardee in accordance with the OMB guidelines on debarment and suspension at 2 CFR part 180.2. See [\*Policy Guidance 2019-01\*](#), *OLHCHH Grant Procurement Standards*. Contractors must be approved by IHCDA prior to entering a contract as IHCDA will set up an eligible pool of contractors.

Prompt Payments to Contractors must adhere to 2 CFR § 200.305, Payment: The contractor must submit timely invoices to IHCDA in accordance with the contract provisions. When the reimbursement method is used, the payment may take up to 30 calendar days after receipt of the billing.

IHCDA generally uses competitive bidding procedures to solicit RFQ/RFPs for new service contracts, unless the service being procured falls within the noncompetitive (sole source) process set out by the State of Indiana.

### IHCDA POLICY ON SERVICES BY A CONTRACTOR

A contractor may be a for-profit entity, a non-for profit or a municipal employee. A contractor may perform administrative or professional services as a stand-alone or in conjunction with other activities. The competitive negotiation method is recommended for all procurement of professional services

### PROCUREMENT POLICY FOR CONTRACTORS

All construction contracts must be through the competitive sealed bid method, and thus, the pool of eligible lead hazard contractors must be determined through this method.

IHCDA will prepare a bidder's list (i.e. contractors' pool), to alleviate the publication requirement each time projects go out to bid.

The advertisement will specify any requirements contractors must satisfy to be placed on the bidders' list. These requirements may include, but are not limited to, the submission of financial statements, statement so experience, proposed plans for performing the work, documentation of insurance, licensing and/or bonding and equipment available.

Thereafter, each time a project activity goes out to bid, IHCDA will notify all contractors on the bidders list, as well as document effort to solicit minority and women owned business enterprises. The notification will inform contractors and IHCDA will provide them with the scope of work to prepare their bids. At any point in time, a contractor may request to be placed on or deleted from the bidder's list. Additionally, the bidders list may be updated every six (6) months. To update the bidder's list, the recipient should follow the publication requirements as well as contact each non-responsive contractor that is on the bidder's list to ask if it would like to remain on the bidder's list.

IHCDA will provide all prospective bidders with a complete description of the items or services to be purchased. This description will avoid specific brand requirements, although "brand name or equal" descriptions may be used as an example of functional or quality requirements. The procurement must lend itself to a firm fixed price contract that allows selection of a successful bidder primary on price.

### THE BASIC PROCESS TO FOLLOW IS AS FOLLOWS:

1. Prepare technical bid specifications: these specifications should provide complete and accurate descriptions of materials, products, and services to be provided. The specifications should address any concerns identified during the environmental review.

2. Prepare the project bid terms and conditions
3. Technical specifications
4. City, town, or County, as well as federal and state requirements
5. Lead specific requirements (if applicable)
6. Cost and pricing information
7. Method of payment
8. Advertisement for bid (as required by state law)
9. Bidders' information specifying method of bidding, bid evaluation and contract award
10. Contract form
11. Bid proposal
12. The contractor will be selected by IHCD staff. The program manager will ensure the contractor has all the required certifications, licenses, and is not disbarred from IHCD or from the use of federal funding.
13. The contractor must meet all bonding requirements of the local jurisdiction where work is conducted.

The competitive negotiation method is recommended for all procurement of professional services. The procurer prepares a formal Request for Proposals (RFP) and request proposals from at least two (2) or more qualified firms or individuals. These firms will come from the IPLA listing of licensed firms.

The evaluation of the RFP must include:

1. Specialized experience or technical expertise of the firm and its personnel in connection with the type of services to be provided and the complexity of the project
2. Past record of performance on federally funded contracts and a list of other clients served
3. Capacity of the firm to perform the work within time limitations
4. Familiarity of the firm with the type of problems applicable to the project
5. Licenses and certifications for work discipline

### **TIMING OF BIDS**

IHCDA will procure bids in a timely manner. The maximum timeframe for a Contractor to respond to a Request for Bid shall be 30 days. The initial Request for Bid packet will be requested to be returned within 3 weeks of receipt of the packet by the Contractor. Emergency situations or where a child with an EBLL resides in the proposed assisted unit will be expedited to the greatest extent feasible.

### **SUSPENSION OF ELIGIBLE CONTRACTOR STATUS**

IHCDA may decide to exclude, disqualify, or suspend a contractor based upon their inability to demonstrate the minimum requirements, failure to maintain the minimum requirements, failure to perform under a contract, or when in the best interest of IHCD. The decision must adhere to IHCD's Suspension Policy located in *Chapter 17 of the IHCD Program Manual*.

### **SECTION 3**

IHCDA intends to provide economic opportunities to residents and businesses, including minority-owned businesses in compliance with Section 3. Economic Opportunities for Low- and Very Low-Income Persons (Section 3). Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. § 1701u) is applicable to grants funded under this program. All recipients that receive awards exceeding \$200,000 are required to comply with Section 3. If you plan to hire any new employees or award contracts to carry out the grant, you must comply with the Section 3 requirements found at 24 CFR 135.32. Additionally, any contractor, subcontractor or sub-grantee receiving contracts under the grant totaling more than \$100,000 must comply with the Section 3 requirements for any new training, hiring or sub-contracting opportunities provided under those contracts.

### **SOURCE / ADDITIONAL INFORMATION**

For additional information, see "ANNUAL SECTION 3 SUMMARY REPORTING REQUIREMENTS FOR RECIPIENTS OF HUD COMMUNITY PLANNING & DEVELOPMENT FUNDING (TECHNICAL ASSISTANCE ON FORM HUD-60002)"

### **SECTION 3: RECIPIENT RESPONSIBILITIES**

1. Implementing procedures to notify Section 3 residents and business concerns about employment and contracting opportunities generated by Section 3 covered assistance
2. Notifying potential contractors working on Section 3 covered projects (contracts \$100,000 or greater) of their responsibilities by incorporating the Section 3 Clause into all covered solicitations and contracts [see 24 CFR Part 135.38];
3. Assisting and actively cooperating with the Department in making contractors and subcontractors comply
4. Documenting actions taken to comply with Section 3; and
5. Submitting Section 3 Annual Summary Reports (form HUD-60002) in accordance with 24 CFR Part 135.90.

To comply with these responsibilities, IHCDCA will submit an annual update using Form HUD-60002. Annual reports will be due July 1 of each year. The following information is required by HUD to be included on the Annual Summary Report (HUD-60002).

1. The total dollar amount of HUD funding that was received by the recipient for covered projects/activities during the specified reporting period.
2. The total number of new employees that were hired by the recipient and/or its covered contractors, subcontractors, and Sub-Recipients, because of performing or completing covered project/activities.
3. The number of new employees that were hired by the recipient (or its covered contractors, subcontractors, and Sub-Recipients), because of covered projects/activities, that met the definition of a Section 3 resident.
4. The total number of man hours worked on covered projects (optional).
5. The aggregate number of hours worked by Section 3 residents on covered projects (optional).
6. The total number of Section 3 residents that participated in training opportunities that were made available by the recipient agency, its contractors, Sub-Recipients, or other local community resource agencies.
7. The total dollar amount of construction and/or non-construction contracts (or sub-contracts) that were awarded with covered funding.
8. The dollar amount of the recipient's construction or non-construction contracts (or subcontracts) that were awarded to Section 3 business concerns.
9. Detailed narrative descriptions of the specific actions that were taken by the recipient (or its covered contractors, subcontractors, Sub-Recipients, or others) to comply with the requirements of Section 3 and/or meet the minimum numerical goals for employment and contracting opportunities.

## CHAPTER 11- OCCUPANT PROTECTION & RELOCATION

Temporary relocation is allowed if needed for temporarily displaced families and individuals while the remediation is conducted and until the time the affected unit is properly cleared (receives clearance) for re-occupancy. Tenant-occupants forced to vacate housing while hazard reduction measures are being conducted pursuant to a program described in the NOFO must be treated fairly and equitably. Participation in the HHWCD program is voluntary, so participants are *not* eligible for permanent relocation assistance. IHCD may provide *temporary* relocation assistance for *rental occupants* if a rental unit becomes temporarily unlivable during lead hazard control work. *Owner-occupants temporarily relocating while hazard reduction measures are conducted are not eligible for URA relocation assistance.*

During the initial eligibility review for the program, participants may be notified that relocation may be necessary based on program requirements. IHCD may provide relocation for households in the form of paying for hotels, housing participants in another unit, paying for meals, etc. A HUD-40030 (Exhibit G) form must be completed by the IHCD PM prior to relocation.

Hazard control work and temporary relocation should take no longer than 10 days. If planned work or relocation is longer than **10 days**, the contractor must notify IHCD and the property owner of the reason and expected timeline to completion. Assisting with reasonable costs of temporary relocation for those persons required to vacate rental housing while participating in this voluntary maintenance program for lead hazard reduction is an eligible activity of the program. Occupants who enroll in the program must be treated fairly and equitably regarding removing participation barriers created by relocation requirements if housing must be vacated while lead hazard reduction measures are being conducted.

Rental occupants are entitled to receive temporary relocation assistance where applicable pursuant to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), 42 U.S.C. §§ 4601-4655, as described in regulations at 49 CFR 24.2(a)(9)(ii)(D) and the corresponding Appendix A to Part 24.

When tenant occupants with physical disabilities are temporarily relocated, they must be offered housing that can be approached, entered, and used by persons with physical disabilities. For additional information on relocation requirements, see the HUD Handbook 1378 (Real Estate Acquisition and Relocation Policy and Guidance).

Contractors are required to fill out an Occupant Protection Plan form for lead-based paint projects. A licensed supervisor will be on site, available to workers and responsible for direct supervision of all workers during all work site preparation, lead hazard control activities and post abatement cleanup of work areas. The onsite supervisor will always maintain the following documents onsite: Indiana notification; Occupant Protection Plan; Employee licenses; and required OSHA documentation.

A written protection plan will be developed for all lead hazard control projects and will be unique to each dwelling; be developed prior to abatement; include the description of the measures and management procedures that will be taken during the abatement to protect the building occupants from exposure to any lead-based paint hazards. All protection plans will be prepared by a supervisor or project designer. This Plan follows state regulation 410 IAC 32.4.5.9. Occupants shall not be permitted to enter the worksite during hazard reduction activities (unless they are employed in the conduct of these activities at the worksite), until after hazard reduction work has been completed and clearance, if required, has been achieved.

Occupants shall be temporarily relocated before and during hazard reduction activities to a suitable, decent, safe, and similarly accessible dwelling unit that does not have lead-based paint hazards, except if:

1. Treatment will not disturb lead-based paint, dust-lead hazards, or soil-lead hazards.
2. Only the exterior of the dwelling unit is treated, and windows, doors, ventilation intakes and other openings in or near the worksite are sealed during hazard control work and cleaned afterward, and entry free of dust-lead hazards, soil-lead hazards, and debris is provided.
3. Treatment of the interior will be completed within one period of 8-daytime hours, the worksite is contained to prevent the release of leaded dust and debris into other areas, and treatment does not create other safety, health, or environmental hazards (e.g., exposed live electrical wiring, release of toxic fumes, or on-site disposal of hazardous waste); or
4. Treatment of the interior will be completed within 5 calendar days, the worksite is contained so as to

prevent the release of lead dust and debris into other areas, treatment does not create other safety, health or environmental hazards; and, at the end of work on each day, the worksite and the area within at least 10 feet (3 meters) of the containment area is cleaned to remove any visible dust or debris, and occupants have safe access to sleeping areas, bathroom, and kitchen facilities.

5. The dwelling unit and the worksite shall be secured against unauthorized entry, and occupants' belongings protected from contamination by dust-lead hazards and debris during hazard reduction activities. Occupants' belongings in the containment area shall be relocated to a safe and secure area outside the containment area or covered with an impermeable covering with all seams and edges taped or otherwise sealed.

### **TENANT-OCCUPIED HOUSING - INFORMING THE TENANTS**

Tenants will be well informed of the HHP grant relocation policies and procedures. In keeping with this policy, tenants will receive the following information prior to and during the relocation period:

1. Before Project Approval: When an owner applies for assistance, tenants should receive a general information notice. The notice will inform the tenants of the potential project and advise them of their eligibility under the Uniform Relocation Act. Residents shall be notified they may be required to move temporarily while property improvements are occurring.
2. After Project Approval and testing: After a project has been approved, and temporary relocation of occupants will be needed – the tenants will be given a Notice of Non-Displacement and Temporary Relocation. When evaluation is undertaken and lead-based paint or lead-based paint hazards are found, IHCD shall provide a copy of the report and advise the occupant/owner of the results.
3. After Unit Clearance: Once the unit passes lead-paint clearance, the occupant will be issued a verbal notice of re-occupancy and provided with a copy of the lead clearance report and notify the occupant and/or owner of the results.
4. Each notice shall be provided in the occupants' primary language or in the language of the occupants' contract or lease. Notices will be distributed to each occupied dwelling unit affected by the evaluation and hazard reduction activity or serviced by common areas in which an evaluation and hazard reduction has taken place.

### **TEMPORARY UNITS**

Every attempt will be made to identify temporary housing that is convenient for the tenant regarding employment, school, and transportation. The relocation unit will be identified in the following manner:

1. The unit must be built after 1978
2. Be in accordance with Housing Quality Standards (24 CFR 982.401) or Uniform Physical Conditions Standards (24 CFR 5.703).
3. When persons with disabilities are temporarily relocated, they must be placed in housing that provides the same accessibility features, at a minimum, as the housing in which they currently reside.
4. The occupant may identify a unit. If the occupant locates temporary housing, IHCD will inspect it to determine it is decent, safe and sanitary, suitable and lead safe. If it passes inspection, the IHCD PM must be notified and approve prior to the occupant temporarily relocating.

### **REIMBURSABLE EXPENSES**

At this discretion of IHCD and review and approval by the OLHCHH, reimbursable relocation expenses may include housing costs, moving expenses, and storage. Documentation will consist of actual paid receipts or invoices including the date of service and service provider name. Hand-written documentation on blank paper will not be accepted.

### **ELIGIBLE HOUSING COSTS**

If the resident occupies a leased hotel/motel unit, the HHP/HHWCD grant may pay a reasonable cost of the room. The tenant will be responsible for paying their usual amount of rent to the owner during the temporary relocation.

### **DAMAGES CAUSED TO TEMPORARY UNIT**

In accordance with the Participation Agreement signed at the time of enrollment, the tenant understands their responsibility to abide by the rules and conditions of the leased unit. They understand they are responsible for any

damages to property incurred during their stay at the leased unit. Any damages may result in potential penalty/payment and possible repayment in part of the HHP grant funds. If the occupant fails to abide by the rules and conditions and is asked to vacate the temporary unit prior to clearance of the rehabbed unit, it is their responsibility to find alternative housing.



## **CHAPTER 12 – CONSTRUCTION MANAGEMENT**

Management of the construction project will be performed by IHCD. All HHP/HHWCD projects rehabilitated must meet the stricter of the Indiana State Building Code, local building codes, or manufacturer's instructions. The General Administrative Rules at 675 IAC 12 provides State of Indiana codes and standards for rehabilitation. The Rules can be accessed at the following address: <http://www.in.gov/dhs/2490.htm>. At the time of publication and adoption of this manual, the adopted codes referenced are believed to be those in force. As standards and codes change and put into effect by the governing authorities having jurisdiction, the new standards and codes will apply in lieu of those referenced.

### **SITE VISITS AND INSPECTIONS**

IHCD will contract with a third-party to conduct all healthy home assessments, radon tests, lead inspection/risk assessments, and clearance examinations. All reports will be stored electronically in the client file and uploaded into HHGMS. The IHCD PM and/or PD may perform periodic inspections and site visits to each property to verify the work performed by each contractor. Site visits and inspections will be documented in the client file. The site visits will verify the Occupant Protection Plan is being followed; contractors have all required licenses and signage onsite; the scope of work is being followed; photos of containments and signage; and all other measures required taken to perform the planned work are in accordance with all State and Federal requirements. A final inspection report will be created and sent by IHCD to the contractor after clearance and final inspection.

### **CONTRACTOR PAYMENT**

After each service contract is complete, IHCD may conduct a site visit to verify the work is in accordance with the contract. Deficiencies noted in the report will have ten business days to be corrected. Once all repairs are complete and the final inspection report sent, the IHCD PM will submit a check request. Payments may take up to thirty (30) days to be received. IHCD requires setting up direct deposit to expedite payments.

### **PROTOCOL FOR ORDERING LEAD CLEARANCE INSPECTION**

The following steps will be taken to facilitate a lead clearance inspection:

1. Pre Clearance-Inspection - Prior to ordering a lead clearance, the contractor shall complete and perform a pre-clearance inspection. The pre-clearance inspection will note any obvious conditions that would result in a lead clearance failure.
2. Clearance Request - Upon completion of a pre-clearance inspection, the contractor will notify IHCD and the clearance examiner to request the lead clearance inspection. A Request for Lead Clearance will include the property address, property owner information, contractor contact information, scope of work performed and any other relevant information necessary to facilitate lead clearance activities. The clearance report shall be sent to IHCD to maintain in the client file and forwarded to the contractor and property owner.

### **PENALTY FOR FAILED LEAD CLEARANCE**

IHCD will pay for the initial lead clearance exam only. The contractor will pay for any additional clearance tests required to achieve lead clearance. This language shall be included in the construction contract.

### **PROJECT COMPLETION**

Upon receipt of a successful radon test, lead clearance, and/or final inspection by IHCD's third party contractor and/or IHCD staff, the project will be complete. The IHCD PM will submit all reports received into HHGMS and any required information listed in the "Unit Work" tab. For rehabilitation work other than radon or lead-based paint, a final inspection report will be drafted and sent to the contractor. Radon and lead-based paint reports with issues will also be sent to the contractor for corrections. Deficiencies noted in the report will have ten business days to be corrected. IHCD may inspect any corrections or require an affidavit with photos of the repairs. Once the inspection has been conducted or the correction documents received, the PM will send an inspection clearance report and initiate the final payment.

## CHAPTER 13 - CONTRACTS, TERMS & CONDITIONS

**Required Contract Provisions:** All contracts must include the following provisions.

1. Effective date of contract.
2. Names and addresses of award recipient or sub-recipient and contractor.
3. Names of company contact.
4. A citation of the authority of the award recipient under which the contract is entered into and the source of funds.
5. Contractual provisions or conditions that allow for administrative, contractual, or legal remedies in instances in which a contractor violates or breaches the contract terms and provide for such remedial actions as may be appropriate.
6. Provisions for termination by the award recipient, including how termination shall be affected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.
7. Scope of Services
8. Detailed description of extent and character of the work to be performed.
9. Time for performance and completion of contract services, including project milestones, if any.
10. Specification of materials or other services to be provided by both parties, (e.g., maps, reports, printing, etc.).
11. Clause requiring records to maintained throughout the applicable records retention period.
12. An access to records clause including a provision that all negotiated contracts awarded by recipients shall include a provision to the effect that the state, the recipient, HUD, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers, and records of the contractor which are pertinent to a specific program for the purpose of making audits, examinations, excerpts, and transcriptions.
13. A Conflict-of-Interest Clause.
14. Provisions for compensation of services, including the basis for submission of billings as the work progresses and specification of the total contract amount.
15. Bonding and Insurance Requirements.
16. Federal Contract Provisions: All contracts awarded (including small purchases) must contain the following federally mandated provisions:
  - Equal Employment Opportunity -Executive Order 11246: Equal Opportunity Clause, goals for female and minority participation and implementing regulations. The contractor and any subcontractors shall comply with E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, and Department of Labor."
  - Rights to Inventions Made Under a Contract or Agreement. Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401, "Rights to Invention Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.
  - Clean Air Act (42 U.S.C. 7401 et seq.), the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended, Executive Order 11738, and Environmental Protection Agency regulations (40 CFR Part 15). For contracts and subcontracts of amounts in excess of \$100,000 the contractor or subcontractor shall comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.). Violations shall be reported to the Federal awarding agency and the Regional Agency (EPA).
  - Byrd Anti-Lobbying Amendment (31 U.S.C.1352). Contractors who apply or bid for an award of \$100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to

influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient.

- Debarment and Suspension (Executive Orders 12549 and 12689). No contract shall be made to parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or No procurement Programs in accordance with E.O.s 12549 and 12689, "Debarment and Suspension." This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549. Contractors with awards that exceed the small purchase threshold shall provide the required certification regarding its exclusion status and that of its principal employees.

Construction Contracts and Subcontracts for Davis-Bacon Projects must have the following physically attached to the contract (See also Labor Standards chapter):

- Federal Wage Determination with modifications
- Additional Classifications (if applicable)
- Federal Labor Standards Provisions (HUD 10)
- Davis-Bacon Act
- Contract Work Hours and Safety Standards Act. Copeland "Anti-Kickback Act"
- U.S. Department of Labor Notices (jobsite): WH 1321, WH 1462, and OSHA 2203 publications

IHCDA will ensure that a Participation Agreement is agreed upon and signed by the owner and occupant of any rental property receiving HHP/HHWCD grant funds. Rental property owners must give priority in renting units assisted with these funds for not less than three years following completion of lead hazard control activities to families with a child under the age of six years. If the property is sold it must be to an income eligible family.

This requirement applies to all rental housing, whether occupied or not at the time of assistance, and for not less than three years following the date of assistance; it does not apply to owner-occupied housing. IHCDA will ensure assisted units are prioritized for families with children under six years of age, such as, but not limited to:

- Requiring compliance in the terms of the assistance agreement with owners.
- Registering assisted units in a publicly accessible lead-safe housing registry; and/or
- Following up with the owner(s) to ensure they have attempted to comply.

## CHAPTER 14 - UNIT CLOSE-OUT

After the healthy homes hazard control activities and/or lead clearance is achieved, a final inspection by IHCD's third-party contractor and/or IHCD staff will be conducted to verify all repairs are complete. This may be completed concurrently with a lead clearance examination if applicable. The PM shall submit a check request form to the IHCD PD for review. The check request will include the scope of work, final inspection certification form, lead clearance (if applicable), and IHCD's inspection clearance report. The PD will then forward the payment request to the IHCD Deputy Executive Director for authorization to pay. Payment will be made within approximately 30 days after receipt of the invoice. IHCD will provide all necessary data necessary to complete the HHWCD Grant close-out activities in accordance with [\*Policy Guidance 2012-05, Closeout Procedures for OHHLHC Sub-recipients.\*](#)

### FOLLOW-UP ACTIVITIES

Contractors are responsible for responding to homeowner inquiries regarding any workmanship failures until the warranty expires at 12 months. The property owner is responsible for contacting the appropriate contractor to address any workmanship issues. If the contractor is not responsive, the property owner may notify IHCD to assist with coordinating warranty repairs.

The Participation Agreement, for rental units, mandates that ownership of all enrolled units must be maintained for 36 months after work is completed and must be marketed to low-to-moderate income eligible families. The rental property owner must also adhere to Fair Market Rent values for a period of 36 months after work is completed. IHCD will utilize DOXPOP services for the sale of all rental units during the 36-month period after completion of the work. This service will notify IHCD when a property owner changes. IHCD will then ensure the terms of the Participation Agreement continue to be adhered to.

Failure by the owner of a participating unit to meet necessary HUD requirements may be cause for recapturing of HHWCD funds. IHCD will administer a survey to all enrolled and completed clients regarding the current occupancy status of units to ensure all Participation Agreement requirements are being followed. This follow-up survey shall be completed annually during the month of June in the year following completion of each project.

### ANNUAL REPORTING

Race/Ethnicity annual data reporting and Section 3 annual activity reporting are due at the end of each fiscal year or January of each calendar year as determined by the OLHCHH GTR. The IHCD Compliance Division will submit the Section 3 report in accordance with [\*Policy Guidance 2012-06, Section 3 Summary Report Submission Procedures.\*](#)

### IHCD MONITORING

The IHCD PM and PD will perform on-going desk-top monitoring of all intake, inspections, reports, communication, and work specifications throughout the grant period. After final monitoring and closeout, all project files, records, and materials will be securely stored and be accessible to HUD, auditors, and other government officials for a period of at least 3 years from the end of the award's period of performance.