



MEMORANDUM

DATE: July 10, 2012
TO: CDBG Commission
FROM: Jan Reek, Director of Programs
SUBJECT: Minor Home Repair Program

(A) Summarize your proposal

Project Home proposes the continuation of a long-standing program designed to make necessary repairs on owner-occupied homes of Madison residents with low/moderate incomes. The homeowners served through this program are often on fixed incomes, with more than 80% of program beneficiaries having income levels below 50% of CMI. The total project budget includes \$160,000 of entitlement funds plus up to \$27,000 of revolving program income funds from prior years.

The program helps homeowners repair and maintain their homes, avoiding deferred repair work that could result in substantial damage to the home or create unsafe living conditions. Work provided through the program includes general carpentry, minor plumbing, door and window installations, drywall and plaster repairs, structural repairs, minor electrical repairs, energy efficiency measures, and accessibility modifications. This year the program is expanding to offer additional energy efficiency work like compact florescent light (CFL) bulbs and faucet aerators.

Home owners are charged a fee of \$10 per hour for labor plus the cost of any materials. CDBG funds provide a \$25 per hour labor subsidy for the homeowner. The program also provides free smoke alarms and CO detectors, with the homeowner paying \$10 per hour for installation. In addition, the program provides a subsidy of 50% of the cost of replacing a water heater, up to a maximum of \$1,000, for homeowners who earn less than 60% of the CMI.

(B) Note how your project addresses the Framework objective

Our program addresses the goal of improving and expanding affordable housing options by maintaining owner-occupied housing before it falls in to severe disrepair, as well as making it safer, more accessible, bringing it up to code, and offering the homeowner the option of making it more energy efficient.

The program has a long-established track record of serving those most in need. Of the 82 households served in 2011, 57 were female headed households, and 31 were below 30% of the CMI. In a 2011 customer survey, 100% of clients who responded said they would recommend the Home Repair program to a friend or neighbor.

(C) Address any questions that have been raised during their preliminary reading

1. How would you include energy efficiency into your quantifiable program objectives in the future? Based on experience, what might be a reasonable outcome?

We could add an objective to serve a set number of households with the energy efficiency "package" we would be offering minor home repair customers. We serve an average of 80 households per year, so we could potentially help up to 80 homeowners with basic energy saving measures like CFLs, faucet aerators, etc. Since this is a new program element, we do not have any historical data available to help us establish how many customers would participate. We hope to be able to do that in our next funding cycle.

2. On the budget page, "assistance to individuals" shrunk ½ (\$5.5 million to \$2.7 million) over the past two years (2011-2013). What changes does this represent in programs and assistance?

The changes in our budget are due to the American Recovery and Reinvestment (ARRA) funds that were available for our state-funded Low Income Weatherization Assistance Program during the past two years. The "stimulus" funding was only meant for a limited time, and the period ended June 30, 2012. The funding changes in our weatherization program do not directly affect our other programs, including the Minor Home Repair program for the City of Madison.