



National Center for HEALTHY HOUSING

Establishing and Running a Local Home Repair Program A Technical Assistance Tool

NCHH created this technical assistance brief to support local and state governments, agencies, programs, and advocates in understanding how local home repair programs can address healthy housing issues and the options for building such a program to serve community needs. You'll find the opportunities and real-world examples presented below useful as you create or strengthen local programs in your area. This concrete, direct glimpse at how other localities have structured programs, combined with a discussion of points to consider as you plan, can guide your first steps as you determine the approach most suitable for your community.

The Opportunity

Deteriorating housing stock is a health hazard to resident health and safety. An estimated **45 million metropolitan homes in the United States have at least one health or safety hazard**. These issues are especially burdensome to residents of low-income communities, who often lack the resources to finance expensive repairs and who may not have the money or time to support regular maintenance. In addition, patterns of historic disinvestment in communities of color means that these communities disproportionately experience deteriorated housing; for example, Black Americans are **twice as likely** as White Americans to live in homes with severe physical problems, and American Indian and Alaska Native tribal area households are **over four times more likely** to have facilities/condition problems compared to the U.S. population as a whole.

To address major health and housing hazards in homes, many communities operate programs that provide home

repair or rehabilitation services to residents. Some of these programs fix specific environmental hazards like lead paint or radon, while others focus on major home components and systems like roofs and HVAC; all approaches have a huge, direct impact on the health of the home.

Home repair programs can be a critical part of any community's effort to improve housing conditions on the path to a healthier population. They provide immediate impact, and having a home repair program in place can also improve the effectiveness of other policies and programs that aim to improve or stabilize housing or promote community health. For instance, programs that provide financial assistance for home repairs can help to remove obstacles to creating a robust and proactive code enforcement program. If a community already has strong code enforcement but is struggling with implementation, a home repair program may provide needed support. If a community is trying to establish a **proactive rental inspection program**, home repair

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In our state...it's costing about \$300,000 a unit for a modest unit to be constructed. So, a \$30,000 public investment to bring a unit online is pretty remarkable.

*Shaun Gilpin
Vermont Department of Housing
and Community Development*

programs can help overcome concerns and mitigate impacts on low-income property owners who want to ensure adequate protections for residents but need extra support. Similarly, as more [healthcare payers begin to invest](#) in services that address the home environment, home repair programs can help to fill the gaps in the range of services that can be provided (e.g., funding structural or equipment repairs or replacements that are often not covered by healthcare).

Program Structure Options

Four key factors that influence the structure of any home repair program:

1. How is the program funded?
2. What is the financing mechanism?
3. Who is eligible?
4. What activities can the program support?

Communities can, and do, choose to answer these questions in many ways, allowing home repair programs to be tailored to meet each community's unique needs and capabilities.

Funding Source

Many communities use federal funds to support these programs. Two of the most frequently used programs, both distributed through HUD, are the [Community Development Block Grant program \(CDBG\)](#) and the [HOME Investment Partnerships Program](#).

Based on an established formula, CDBG funds are awarded annually to metropolitan statistical areas (MSAs), cities with populations over 50,000, and counties with populations over 200,000. Local communities with lower populations receive CDBG funding through their states. The CDBG program

is designed to be flexible, allowing communities to decide how best to use their funding to serve low- and moderate-income individuals and families. For more information on how the CDBG program works, and how the funding can be used to address indoor air quality, [see our companion brief](#).

HOME program funds are awarded to eligible states and localities annually. Eligibility is determined by a formula that considers poverty levels and housing supply issues among other factors. Communities that don't qualify on their own may combine to form a consortium to meet the threshold for funding. It's important to note that when HOME funds are used for home rehabilitation, the house must be brought up to local code. For this reason, communities that use HOME funding tend to use it to support programs with higher funding limits per home.

In addition to CDBG and HOME, there are other federal programs that provide funding for housing development or housing quality. [USDA's Section 504 Home Repair Program](#) may be a resource to rural communities. This program provides: (1) loans to homeowners with very low incomes to repair, improve, or modernize their homes, or (2) grants to remove health and safety hazards for elderly homeowners with very low incomes. The [Indian Housing Block Grant Program](#), administered by HUD, provides funding to federally recognized tribes, tribally designated housing entities, and some state-recognized tribes based on a formula. Eligible activities

HOUSING HAZARDS AND HEALTH OUTCOMES

Housing hazards can cause, contribute to, or exacerbate health outcomes, including:

- Asthma, allergies, and other respiratory conditions
- Lead poisoning
- Falls/injuries (including
- fire injuries)
- Cancer
- Cardiovascular events
- Poisonings
- Death
- Poor mental health

And many other quality-of-life outcomes.

THE TYPICAL HOME REPAIR PROCESS

1. The applicant completes an application, and it is evaluated for eligibility/completeness.
2. A housing inspector visits the home, discusses the issues with the homeowner, and writes up a scope of work. Usually, the inspector is employed by the program.
3. Contractors are invited to bid on the job. Programs often require at least three bids.
 - Sometimes the program provides an approved list of contractors to the homeowner to invite bids.
 - Sometimes the program sends the scope of work directly to an approved list of contractors.
4. Contractors are selected.
 - Sometimes the program chooses alone, and sometimes the homeowner chooses with program approval.
5. Work is completed.

under this program include modernization of housing units, rehabilitation of rental housing, and rehabilitation assistance to existing homeowners. The **Housing Improvement Program** is administered by the Bureau of Indian Affairs (BIA) to federally recognized tribes and BIA offices serving an approved tribal service area; funding amounts are determined by the number of eligible applicants in a service area and the estimated cost of program services. This program provides up to \$7,500 for interim improvements that address health and safety



Tallahassee used CARES Act funding to support rehabilitation for 21 homes.

conditions, up to \$60,000 for repairs and renovations that bring a unit up to building code standards, and also supports both replacement housing when a home cannot be brought up to code and new housing for those who own land without a housing unit.

HUD also awards **Healthy Homes Production Grants** to state and local government agencies, nonprofit organizations, and tribes and tribal agencies to identify and address health and safety hazards in homes, using a comprehensive approach to address multiple high-priority issues, including mold and moisture, poor indoor air quality, pests, carbon monoxide, and injury and safety hazards. HUD has awarded 91 of these grants from 2018-2022, roughly a third of which have gone to tribes and tribal agencies.

One-time federal stimulus dollars can also be a source of support for home repair programs. The most notable recent examples include the American Reinvestment and Recovery Act (ARRA) in 2009, the Coronavirus Aid, Relief, and Economic Security (CARES) Act in 2020, and the American Rescue Plan Act (ARPA) in 2021. For more information about how funds available under the ARPA can support home repair and other healthy homes issue, see our blogs on the topic, "**The American Rescue Plan: A New Opportunity for Healthy Homes Funding**" and "**How Innovative Communities Are Using ARPA Funds to Transform Housing and Address Environmental Hazards.**"

Another potential source of funding may be the community's local general funds. This option may be less certain than federal funds, depending on the other fiscal priorities of local budget makers but comes with fewer restrictions and requirements than federal awards. This funding may be supported by general



In order to expand income eligibility, the City of Milwaukee has chosen not to use HUD funding for the STRONG Homes Loan Program, and have funded their program through a combination of local funds, including through returns on tax increment financing (a financing mechanisms local governments can use to pay for infrastructure improvements today by committing to capped tax revenues in the future) and local bank funding (through loans that qualified for Community Reinvestment Act credit).

revenue, special forms of tax revenue, or fines and fees collected by the locality. For example, New York City's Department of Housing Preservation and Development is able to conduct emergency repairs to address certain violations of housing conditions and then bill the property owner, with charges appearing on the property tax bill. This approach is used when a property owner is unresponsive to a violation or order.

Finally, partnerships with philanthropic or financial institutions can be an option, especially as seed money to begin a program, or for support when starting a revolving loan program.

Financing Mechanism

Programs typically distribute funding through either grants or loans. Grants are funds provided directly to the homeowner to make repairs with no expectation that the funds will be repaid. Loans are provided as either no-interest or low-interest (usually 3% or less) repayment plans. Sometimes loans are provided with an expectation that the funds are paid back in part or in full, some programs defer payment of the loan to when the property is sold or otherwise transferred between owners, and others forgive the loans after a period of time. Terms and conditions vary, but all programs that provide loans aim to make them an option for homeowners who would not qualify for a traditional loan. These programs may be set up to function as a revolving loan, feeding any repayment back into the program.

Resident Eligibility

The most common eligibility restriction is income level. A vast majority of home repair programs limit services to residents under 80% of area median income (AMI), often because federally funded programs are primarily meant to serve low- and moderate-income populations. Some



When Colonial Heights, Virginia, observed that the homeownership requirement on their program was a barrier to many low-income residents who rent homes in their community, they expanded their program's eligibility to include renters. The new eligibility requirements also prioritize renters with a disability.

INCOME LIMITS

The U.S. Department of Housing and Urban Development calculates a median family income (MFI) for cities and counties annually based on data collected through the American Community Survey. HUD then calculates income limits for various programs based on the MFI. Income limits are percentages of median incomes and/or adjusted for family size.

Area median income (AMI) is an industry-wide term used by many programs and agencies. An unqualified AMI is synonymous with HUD's MFI, and a qualified AMI is usually referring to HUD's **income limits**. Both HOME and CDBG use 80% AMI as an eligibility criterion, although they define the term differently.

Explore HUD income limits: **general**, **CDBG**, and **HOME**.

programs lower their eligibility further, to 50% or 60% AMI, or set up different grant/loan structures within the program for different income levels.

Another common restriction is homeownership. Most programs limit their services to single-family owner-occupied properties. When grants or loans are provided to property owners, they may be limited to property owners who own and live in a one- to four-unit building, or there may be requirements to continue to serve renters with lower incomes; when grants are provided to renters, there may be additional paperwork required to have the landlord sign off on the services provided.

Other common eligibility restrictions include the following:

- Having lived in the home for at least a year.
- Being current on any mortgage or utility payments.
- Being current (or on a payment plan) on property taxes.
- Having homeowner's insurance.
- Not having any other liens on the property.
- Having a clean title to the home.

FUNDING CAPS

Between 2019 and 2022, NCHH reviewed over 30 home repair programs across the country. Of these programs, funding caps for the emergency repair-type programs usually fell in the \$10,000-\$20,000 range, and funding caps for the major home repair-type programs usually came in at \$50,000 or higher.

Both approaches can come with positives and drawbacks. Some programs with lower caps reported that the cost limits mean that they are not always able to address issues resulting from the primary home repair need; for example, using programs funds to fix a leaky roof but not being able to replace water-damaged drywall. Conversely, programs with higher caps that bring the whole house up to code can often mean a longer and more involved project period per home and a more extensive application process. Especially in areas with high demand but limited funding, home repair programs will have to balance the number of homes they want to reach with the amount they feel necessary to spend per home.

Programs that award loans (as opposed to grants) will have more paperwork and potentially more eligibility requirements; for example, some programs conduct an appraisal on the home to ensure that the home repair loan amount will not be greater than the home's value.

Finally, some programs limit their programs to other target populations, such as certain neighborhoods, older adults, or people with a disability.

Funded Activities

A key piece of home repair programs is a cap on expenditures for each home. Generally, there are two common approaches to determining eligible activities. Some programs prioritize the most urgent health and safety issues in a home, sometimes completing just one or two major repairs in each home or limiting eligible repairs to major systems repair. These programs are often referred to as *emergency repair programs* because of the focus on the highest-priority issues. These programs may also prioritize applicants based on specific emergency needs, such as failing water or septic systems.

The other approach is to correct all deficiencies in the home, usually by bringing it up to local code standards. These programs have higher spending limits per home. These programs are sometimes referred to as *home rehabilitation* or *major home repair programs*.

The repair needs and issues that these types of programs report seeing most frequently include:

- Roof repairs
- Plumbing leaks
- Installing new water tanks
- Fixing or installing new furnaces or air conditioning (if eligible; some areas require a doctor's note to install new air conditioning)
- Fixing or upgrading electrical systems
- Fixing or installing new windows and doors
- Accessibility upgrades (including ramps and grab bars).

Regional factors, such as the climate and typical age or type of housing, can impact which needs are most prominent in different areas. NCHH's [State of Healthy Housing](#) provides an insight into housing conditions across the U.S.

If you're looking for flexible coaching and support or help setting up a home repair program, NCHH can help!

Contact us at for additional detail:

askanexpert@nchh.org

Examples of Home Repair Programs

Program	Grant/Loan Description	Who Is Eligible?	Eligible/Most Common Repairs	How Is It Funded?
Lorain's Home Repair Program <i>Lorain, Ohio</i>	For residents below 60% AMI, loan amounts up to \$15,000 are fully forgivable after five years. For residents at 60-80% AMI, the loan requires 20% repayment over five years.	Homeowners below 80% AMI are eligible.	Major components are eligible (roof, furnace, electrical) for these loans. The majority of loans to date have funded roof repairs.	CDBG.
Lorain's HOME Rehabilitation Loan Program <i>Lorain, Ohio</i>	For residents below 50% AMI, loan amounts up to \$45,000 are fully forgivable (timeline dependent on loan amount). For residents at 50-60% AMI, 25% repayment is required. For residents at 60-80% AMI, 50% repayment is required.	Homeowners below 80% AMI are eligible.	Corrects all deficiencies and code issues.	HOME.
Community Development Consultants of Ohio <i>Operates multiple grants for counties in Ohio</i>	Grants may cost up to \$18,000 apiece, including soft costs (administrative fees).	Homeowners below 80% AMI are eligible; however, some programs lower limits.	Roofs, electrical, HVAC, accessibility, water wells, septic, window replacement are popular repair areas. In the past, grants were limited to one major repair; applicants may now combine two or three related repairs (such as furnace and electrical).	Usually CDBG, including state CDBG funds distributed to non-entitlement communities.
Dallas Home Improvement and Preservation Program: Major Home Repair <i>Dallas, Texas</i>	Forgivable loans are awarded up to \$50,000 with a 10-year term.	Homeowners and landlords (single-family only) below 80% AMI are eligible.	A major repair project will bring the whole home up to code.	Primarily CDBG.
Dallas Home Improvement and Preservation Program: Housing Reconstruction <i>Dallas, Texas</i>	Forgivable loans are awarded up to \$180,000 with a 15-year term.	Homeowners and landlords (single-family only) below 80% AMI are eligible	Provides a new home on the owner's current property.	
Dallas Home Improvement and Preservation Program: Minor Emergency <i>Dallas, Texas</i>	Funds up to \$5,000 per home.	Homeowners and landlords (single-family only) below 80% AMI are eligible	Minor areas for repair include doors, windows, siding, pipe leaks, or painting.	
Colonial Heights' CDBG Home Repair Grant Program <i>Colonial Heights, Virginia</i>	Grants are awarded up to \$10,000 per home.	Homeowners or renters with a disability are eligible. Lower-income applicants are prioritized.	Areas for repair include roofs, electric, plumbing, grab bars in the bathroom, and front porches.	CDBG.
Tallahassee's Home Rehabilitation Program <i>Tallahassee, Florida</i>	Forgivable loans are awarded up to \$75,000 per home.	Homeowners below 80% AMI are eligible.	All issues are eligible for repair; homes must be brought up to code.	Mostly HOME and CDBG funding.
Tallahassee's Home Repair Program <i>Tallahassee, Florida</i>	Forgivable loans are awarded up to \$25,000.	Homeowners below 50% AMI are eligible., below 80% AMI if disabled.	Major systems are eligible for repair.	Florida's State Housing Initiative Program (SHIP).
Healthy Homes Cary <i>Cary, North Carolina</i>	Grants up to \$12,500 are typical but may be as much as \$20,000 if funds allow.	Homeowners below 60% are eligible.	Water heaters, roofs, doors, fences, plumbing leaks, addressing hoarding, and retrofitting for aging in place.	Primarily general town funds, supplemented by CDBG as needed.
Habitat for Humanity East Bay/Silicon Valley <i>Operates multiple programs for entities across three counties in California</i>	Both grants and loans depending on the program.	Applicants must be below 80% AMI. The program usually applies to homeowners, but funds are sometimes used for small items like fall prevention for renters.	Popular areas for attention include roofs, walk-in showers, water leaks, electrical, plumbing, windows.	Various, including CDBG and HOME, city funds, sometimes private or foundation funding. Sometimes General Obligation (GO) bonds, but those must be used for real property improvements, not repair and maintenance.

Home Repair Programs and Healthy Housing

Home repair programs are an important tool to ensure healthy homes. Many local home repair programs prioritize repairs related to health and safety, and the repairs they provide residents often address serious and immediate housing issues that can directly affect health. The **Principles of a Healthy Home** are helpful in understanding how the most common repairs provided by these programs relate to health, especially the principles stating that healthy homes are **dry, ventilated, safe, maintained, thermally controlled, and accessible**. For a community interested in integrating a home repair program as part of a larger healthy homes goal or initiative, **the first step may be identifying and articulating how their work connects to these principles**; demonstrating this connection can be helpful in discussing the value of the programs with decision-makers and funders. For example, the Town of Cary, North Carolina, relaunched their home repair program in February 2020 and renamed it Healthy Homes Cary to express that the ultimate goal of the program is to improve health.

Rebuilding Together, a national nonprofit organization dedicated to repairing the homes of people in need and revitalizing communities, has conducted two evaluations of their organization's home repair program—a pilot evaluation in 2019 followed by a larger evaluation in 2020-2021—and **reports** positive outcomes across many areas, including in safety, physical health, and mental health. Some specific outcomes include over 70% of projects improving fire safety through addressing electrical hazards or installing fire extinguishers; over 60% of residents who had fallen or almost fallen before repairs reporting no falls in the following months; 33% of those who reported poor or fair physical health before repairs reporting health improvements; and 50% of those who reported poor or fair mental health before repairs reporting improvements.

In addition, some programs target specific healthy housing hazards and use their funding to test homes for lead-based paint

THE PRINCIPLES OF A HEALTHY HOME



DRY: Damp houses provide a nurturing environment for mites, roaches, rodents, and molds, all of which are associated with asthma.



CLEAN: Clean homes help reduce pest infestations and exposure to contaminants.



PEST-FREE: Exposure to mice and cockroaches increase asthma episodes in children. Inappropriate treatment for pest infestations can exacerbate health problems as pesticide residues pose risks for neurological damage and cancer.



VENTILATED: Increasing the fresh air supply improves respiratory health.



SAFE: Falls are the most frequent cause of residential injuries to older adults and children, followed by injuries from objects in the home, burns, and poisonings.



CONTAMINANT-FREE: Chemical exposures include lead, radon, pesticides, volatile organic compounds, PFAS, and environmental tobacco smoke. Many of these exposures are far higher indoors than outside.



MAINTAINED: Poorly maintained homes are at risk for moisture and pest problems. Deteriorated lead-based paint in older housing is the primary cause of lead poisoning.



THERMALLY CONTROLLED: Prolonged exposure to excessive heat or cold when homes do not maintain adequate temperatures put residents at risk for various health problems.



ACCESSIBLE: Increased accessibility in and outside the home can help reduce trips, falls, and isolation, and improve mental health and physical activity.



AFFORDABLE: High housing cost burdens can lead to housing instability, with frequent moves, overcrowding, and homelessness. High housing costs can force families into substandard housing, and contribute to damaged credit, job loss, lack of nutritious food and adequate healthcare, and poor mental health.



Healthy homes is a way to quantify and talk about home repair.

*Jen Gray
Habitat for Humanity
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hazards, radon, and asbestos. In some cases, these programs will then fund remediation of identified hazards directly; others may have a system set up to refer residents to other programs that have funding for these issues.

It's important to understand that while all funding sources come with eligibility requirements and/or limitations, there may also be hazard-specific requirements to consider. For example, when using HUD funds for rehabilitation, there are specific requirements regarding lead paint, based on the expenditure amounts per unit:

- Projects under \$5,000 must identify (through paint testing or presumption) and repair lead-based paint on any surfaces that will be disturbed and achieve clearance.
- Projects between \$5,000 and \$25,000 must identify (through risk assessment, presumption, or lead hazard screen) and address lead hazards (through interim controls) and achieve clearance.
- Projects over \$25,000 must identify (through risk assessment, presumption, or lead hazard screen) and abate lead hazards and achieve clearance.

Regardless of size, all projects must employ lead-safe work practices and provide notice to owners and tenants. [Read more about CDBG lead paint requirements.](#)

Considerations

When building or strengthening a home repair program, there are several factors to consider that can influence the success of the program and streamline implementation. The following are some of the most consistent challenges, and potential solutions, that NCHH has heard from home repair programs.

Application Process and Access

When establishing a program, it's important to think about who will be able to access it and what challenges may be posed by the application requirements. Some of the most common barriers and challenges noted throughout the application process include:

- Being able to complete the application in its entirety: Often, applicants must provide a lot of paperwork, especially for loan programs. Further, many programs require that information be from within the past six months, which can pose an additional challenge.
- Enrolling elderly parents: Many programs report that the majority of their clients are older adults living alone. In some cases, programs report receiving numerous calls from people looking to enroll their elderly parents. This can be challenging as it (1) adds an additional layer of communication to get all the necessary application information, and/or (2) can be difficult if the parents are not able to complete required online application elements.
- Having clear ownership of a home: There are a range of issues that could result in an unclear, or tangled, title; but a specific situation frequently reported by home repair programs involves inheritance of a home from a family member without legal transfer and recordation of the property. Many communities recognize that unclear titles are a significant problem from an overall community stability and improvement perspective, and some—like [Philadelphia](#), [Dallas](#), and [Pittsburgh](#)—have established title/property assistance programs with real estate attorneys available at no charge to help qualified residents resolve problems and create a clear title with a recorded deed. In areas where this is often a challenge, home repair programs could explore the potential availability of such services and voice support for local housing departments or other agencies to establish similar programs if not yet available.



The Dallas Home Improvement and Preservation Program has contracted with a local law firm so that they can provide free services to any residents who needed to clear up title issues to be eligible for the program.



Vermont's Housing Improvement Program provides grants to property owners to repair homes that are either currently offline or in danger of coming offline due to safety issues. Units must be rented for at least five years at or below the HUD fair market rate or to a voucher holder. In addition, an earlier version of the program required that landlords review at least three applicants referred from the local Continuum of Care program, which serves people exiting homelessness; later versions of the program changed this to require that landlords not only review but rent to applicants who are exiting homelessness.

Programs can and should streamline the application process and requirements as much as possible. This can be challenging if the program is using a funding stream that imposes specific eligibility requirements; in these cases, programs should consider limiting application requirements only to those that come with the funding source. Localities should also assume that some staff time may be required to help residents complete the application process and budget accordingly. Some programs partner with or contract to local organizations that have experience providing community services and navigating residents through government forms for the intake process.

Eligible Population

The common requirement that applicants own their homes can be severely limiting in areas that are experiencing an acute affordability crisis and where large portions of the low-income population rent their homes. This can mean that the eligible population of homeowners is functionally restricted to those who have lived in their homes for many years (often older adults) or inherited the property from a relative. One option to counter this issue is expanding the program to renters or landlords. If a program is considering extending funds to landlords, there are restraints that can be placed on the funding to ensure that support goes to those who truly need it and that the funding ultimately serves to preserve affordable housing in the community. One way to do this is to target a specific type of property owner (such as people who own a duplex and live in one unit while renting out the other)—in this scenario, information gathering about the makeup of landlords in the community can be an important first step. Another common measure is requiring that landlords not raise rents and/or provide housing to residents with lower incomes through the duration of the loan or for a set period.

It's also important to monitor your clientele and observe any gaps in coverage. For example, when Colonial

Heights, Virginia, observed that their program was mostly serving White homeowners, they increased their outreach efforts (by placing information in a popular city newsletter and distributing through churches, restaurants, and social media) and succeeded at enrolling more people of color in the program.

Program Infrastructure/Capacity

When establishing a home repair program, it is important to consider and identify the right agency/organization for program administration in terms of organizational, legal, and staff capacity. There are many moving parts in a working home repair program, including intake of applications, case management/assistance to help clients complete their applications, conducting home inspections, project and budget management, contractor recruitment and relationship building, and administration of funds. Many cities and counties choose to contract with nonprofit providers for all or part of their program administration. Sometimes one nonprofit will administer several programs for many different localities.

Programs that offer home repair loans face an additional challenge in program administration. Loans often have additional requirements as part of the application process, such as a minimum credit score or a maximum debt-to-income ratio. Some loan programs will also assess home value before approving a loan, adding another step to the approval process. The organization administering the program must be capable of holding the loan over a period of years and collecting payment if applicable. Some city-run programs handle this by issuing liens on a property, while others may choose to partner with a financial institution; for example, Detroit's 0% interest home repair loan program is a partnership with Bank of America.

While there are pros and cons to keeping all, most, or some of the program administration in-house versus contracting out to other partners, they vary widely based on local resources and are heavily dependent on the

locality's internal capacity. Realistically assessing the internal and external capacity and resources available is key to success.

Contractor Capacity

One of the most common challenges faced by home repair programs is the ability to source enough contractors to participate in the program. Publicly funded and operated home repair programs must compete with the construction needs in the private market, especially in an economic upturn when demand is high for contractors. In particular, programs report difficulty attracting general contractors and firms who are qualified to perform lead abatement, a challenge frequently echoed by other lead-focused programs across the country. One way that programs can minimize this problem is to consider the goal and scope of their program and make sure that contractor certification requirements are appropriate; for example, a program where most of the repairs will not involve full lead abatement work may find it counterproductive to require all contractors be trained in lead abatement. For jobs where the contractor may encounter lead-based paint (such as in replacing an old window) but not conducting abatement, the less-burdensome Renovation, Repair, and Painting certification could be sufficient.

Some of the specific reasons these programs may not be attractive to contractors include:

- There is more paperwork associated within a government-funded program.
- Government-funded programs often take longer to process payments to contractors.
- Caps on the amount of funding per home make the individual jobs smaller than contractors can get in the private market.
- Licensing and insurance requirements can be too burdensome for smaller contractors.
- Training requirements, especially those needed for a contractor to be able to take lead hazard control and abatement jobs, can impose significant costs, both in the literal cost to attend training and in the time spent away from other work.
- Contractors may sometimes be more reluctant to take jobs that require them to enter homes; this was especially true during the COVID-19 pandemic.

Programs that have been successful in attracting and keeping contractors report that the following strategies have helped:

- **Pitch the predictable cash flow.** When reaching out to and engaging contractors,

demonstrate how many jobs a year they can expect to be able to bid for and what the jobs will pay. Maintaining good program data and communicating the impact on contractors is important for successful relationship building. This can be particularly important when cultivating contractors for more specific types of projects, such as those dealing with lead hazards, which require a bigger upfront cost to contractors to build their own capacity.

- **Increase payment speed.** Because of the size of their operating budget, Habitat for Humanity East Bay/Silicon Valley is able to pay contractors and then request reimbursement from the city or county rather than waiting for the municipality to process the payment. Paying contractors at the start of the project, or in intervals, rather than after all work has been completed can also lower barriers for contractors. Having to wait for payment can result in serious cashflow challenges for smaller contractors.
- **Work through partners.** The Town of Cary employs three nonprofits to administer their home repair program, and each organization employs contractors who are able to make many of the repairs themselves. In addition to being easier and often more cost-efficient administratively, this makes the program easier on the residents, as they only have to work directly with one program instead of several different contractors.
- **Bid jobs in groups.** One option to streamline contracting is to bid out all jobs of the same type of work to one contractor annually as a master contract. Ability to do this may depend on organizational rules or regulations guiding contracting.
- **Subsidize and support contractor capacity.** Programs can subsidize or provide training for contractors, which can be especially valuable in building the capacity of small local businesses. The City of Charlotte has implemented several programs and approaches to help contractors who are smaller or new to the field, including providing assistance (up to \$15,000) to help purchase equipment and providing a city representative to help contractors navigate the registration process, including state licensing and certification. Efforts to support contractors in expanding their capacity can be especially helpful for women- and minority-owned businesses and can have the positive impacts of improving local job opportunities.

An additional challenge for both contractors and program managers can occur during periods of high demand, when material costs rise, or when supply chain issues cause long wait times for components. This became an issue for many programs during 2021-2022 due to impacts from the COVID-19 pandemic.

Tips for Getting Started

As demonstrated by this brief, establishing a home repair program means juggling many moving parts, but there are many successful examples, models, and lessons learned from which to draw knowledge. In conversations with NCHH, existing home repair programs provided the following advice and successful strategies for any locality looking to start a program, or any program looking to improve.

Program administration:

- Streamline the application as much as possible and remove anything that is not required by your funding source.
- Provide supports to help prospective clients navigate the application process, including resources to help clear financial or legal barriers.
- Set up and maintain a good internal record-keeping system.
- Set up a complaint process system and tell people about it when they apply for the program.
- Be clear and candid about your program guidelines, especially what repairs you will and won't make, and:
 - Make your list of approved repairs public so that people have the right expectations.
 - Develop a prescriptive rehab guide internally to guide work on the program.
- Advertise the program broadly, including both internet/social media avenues and physical distribution methods, like fliers and mailers.
- If your program only accepts applications for a short period, keep a list of people who ask about the program during the year and call them when it opens.
- For larger programs and where climate allows, work to ensure that jobs are consistent throughout the year. For example, Habitat for Humanity East Bay/Silicon Valley previously found that pushing to complete all open applications by the end of a given calendar year left their inspectors with little to do in the beginning of the next year as they waited for new applications to come in and be approved for

inspection. The program now saves applicants who apply in the fourth quarter of a given year for scoping and construction in the first quarter of the following year to ensure that their inspectors have consistent work throughout the year and all the scoping work isn't crammed into the second half.

- Work to ensure equitable access to the program throughout the process. This can include ensuring that application requirements are not disproportionately restrictive to any specific populations, working with a multitude of diverse messengers and communication avenues to share information about the program broadly, and conducting regular evaluations on participant demographics and program outcomes.

Workforce and partnerships:

- Before starting a program, map the assets in your community to identify gaps you can fill and key partners with whom you can work.
- When setting up a program, make sure the lead organization will be the right home for the program and will be able to handle all required aspects of the program (such as administering loans, if applicable).
- It's very important that the housing inspectors have a good relationship with the homeowner, because they do the work of discussing what needs to be done and often function as the glue that holds the project together. People in this role should have a construction/housing background but must also have strong social skills and be able to meet people where they are. Programs can help to ensure this by providing employee training in soft skills and relationship building.
- Similarly, it's important to facilitate a good relationship between contractors and homeowners and make sure that contractors won't inadvertently provide incorrect information to the residents about the program. Enrolling contractors on the program's approved

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contractor list often includes requirements for certain capacities or certifications; programs can also use this avenue to build a good relationship with contractors, educate them about the program, and/or require or provide training on soft skills.

- Prioritize partnering with other agencies. Some helpful partnerships include:
 - Other agencies that provide services in the community, such as community action agencies, weatherization, and area agencies on aging.
 - Realtors and local housing providers.
 - Local banks and financial institutions.
 - Whichever city departments are involved in the consolidated planning, budgeting, or grantmaking processes.
 - Local health departments.
 - Community-based organizations and groups.

These partnerships can be helpful for identifying community priorities, pooling resources and funding, providing technical assistance, and coordinating or triaging services, both in the long and short term. For example, one program reported that they sometimes contact local church volunteer groups to see if they can provide short-term relief (such as tarping someone's roof) before the program is able to begin repair work.

Tools You Can Use

For more on the scope of home repair programs:

- [Home Repair Programs Serve Critical Needs for Low-Income and Vulnerable Homeowners](#) (Joint Center for Housing Studies of Harvard University, url)

For identifying home repair programs in your area:

1. Visit [HUD's State Information](#) landing page (HUD, url). Select your state.
2. Scroll down to *I WANT TO* and select *Learn About Homeownership*.
3. Scroll down to *Owning and Maintaining Your Home* and select *Home Repairs*.

For building your own program:

- [HOME and CDBG Guidebook](#) (HUD, pdf)
- [HOME Homeowner Rehabilitation](#): information on using HOME funds for rehab (HUD, url).
- [CDBG Chapter 4: Housing Activities](#): information on using CDBG funds for rehab (HUD, pdf).
- [CDBG FAQ](#) (HUD, url)
- [State of Healthy Housing](#): information on housing quality and hazards by metropolitan statistical area (NCHH, url).

For additional financing mechanisms:

- [Local Funding/Incentive Programs](#) (NCHH, url)

For more on the importance of clean home ownership:

- [How 'Tangled Titles' Affect Philadelphia](#) (Pew Charitable Trusts, pdf)
- [Heirs' Property and Land Fractionation: Fostering Stable Ownership to Prevent Land Loss and Abandonment](#) (USDA, pdf)

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