



## Attachment I. Accessibility Modifications Program (AMP) Guidelines

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## 1: Program Description

The Accessibility Modifications Program (AMP) is part of the Homeownership Initiatives offering. AMP provides funding for accessibility modifications and minor home rehabilitation for eligible senior homeowners or owner-occupied households with a person(s) with a permanent disability. Eligible households must have household incomes at or below 80% of the area median income.

The maximum subsidy that can be requested per household is **\$10,000**.

The minimum subsidy that can be requested per household is \$1,000.

AMP may be amended at any time with input from the Affordable Housing Advisory Council of the Bank and approval by the Board. Funding announcements may be revoked by the Board without notice. The Bank also reserves the right to reallocate funds among programs to meet program demand and to ensure utilization of all funds.

## 2: Member Participation

Institutions that are current Members of and eligible to borrow from the Bank may participate in AMP. The Bank does not accept applications from institutions with pending applications for membership in the Bank.

### A. *Registration:*

All Members must sign and submit a **Homeownership Initiatives Master Agreement and Registration and Certification Form**, Members will be responsible for all terms and conditions contained in the **Homeownership Initiatives Master Agreement** and **Registration and Certification Form**, including, but not limited to, the requirements outlined in this document.

### B. *Submitting Disbursement Requests:*

Upon approval of the **Homeownership Initiatives Master Agreement, and Registration and Certification Form**, Members will be provided user registration procedures for use of the Bank's online system.

## 3: Funding - Use, Limits, and Availability

- AMP funds may only be used to pay for eligible modification/repair costs.
- AMP funds cannot be used to pay for fees charged by Members or sponsors for providing the subsidy to a homeowner.
- The rate of interest, points, fees, and any other charges for all loans that are made for the project in conjunction with the AHP subsidy shall not exceed a reasonable market rate of interest, points, fees, and other charges for loans of similar maturity, terms, and risk.
- Each participating Member will be limited to **\$300,000** in annual AMP funds, unless such limit is waived by the Board.
- Homeownership Initiatives funding will be announced in the spring. Funds will be made available on a first-come, first-served basis until all funds are exhausted. Throughout the program year, the remaining amount of funds available will be published on the Bank's public website at least bi-weekly.

#### 4: Member Requirements

Members must provide funds only to homeowners who meet the income guidelines as described in *Attachment D* of the current Affordable Housing Program Implementation Plan (Plan).

- The Member is responsible for compliance with all applicable laws, regulations, and this Plan.
- Members must confirm that the recipient owners have owned the property in fee-simple for at least **6 months prior to enrollment**. No additional persons may have been in title to the property during the **6-month** period other than the children of the homeowner who are on title for estate planning purposes.
- Members must ensure that proposed costs are reasonable based on the local market.
- Members must ensure that rehabilitation/modification work performed meets the requirements outlined in the *Accessibility Modifications Requirements* section of this document.
- For properties that include a home-based business, Members must certify that the grant funds will not be used to cover costs to rehabilitate areas of the home exclusively designated for business use.
- Members must comply with Bank requirements to provide copies of rehabilitation closing statements, evidence of costs, and other documentation as described in this document.
- Members must maintain project files with all applicable information for all grant recipients.
- Member must certify that the homebuyer(s) and the proposed transaction meet all eligibility requirements for AMP funds.
- The Member must pass the entire amount of the subsidy to the household.

#### 5: Recipient Requirements

Recipients of AMP funds must meet the following requirements:

- The household must meet one or more of the following types:
    - Type A** – a household whereby all members are age 62 years or older, **OR**
    - Type B** – a household whereby all members are age 62 years or older, or age 17 or younger whereby the household members age 62 or older is the documented guardian(s) of a household member(s) age 17 or younger; **OR**
    - Type C** – a household with a member(s) of any age with a permanent disability and currently receives Social Security Disability Insurance (SSDI) or Supplemental Security Income (SSI) benefits or reasonably equivalent state or federal funded permanent disability benefits. Documentation should support payment of benefits for at least 60 days. Permanent disability may also be verified through a third-party professional who completes the Permanent Disability Verification Form.
- The age requirement(s) must be met and documented.***
- Households must reside in Michigan or Indiana.
  - Recipients must have household income that is equal to or less than 80% of the area median income (AMI) adjusted for family size as published annually by HUD (see the Bank's public website for current AMI limits).
  - Recipients' existing mortgage obligation and property taxes for the subject property must be current and paid as agreed.
  - Recipient must sign an affidavit acknowledging their approval of the contractor being used for repairs.

- AMP funds may only be used to provide assistance to rehabilitate an owner-occupied residence. Home-based business rehabilitation is not an eligible stand-alone use under the AMP. For eligible households whose home-based business is also located in the housing unit or on the property, AMP funds may be used if the primary purpose of the proposed rehabilitation is to rehabilitate and provide general benefit to the residence. Proposed rehabilitation that will only benefit the area of the home exclusively designated for business use is not an eligible use under the AMP. This policy applies whether the income generated from the business activity is the primary or secondary source of income to the household.
- In any five (5) year period, recipients cannot receive, for the same property, more than one Bank grant of any kind, or more than one grant from any Federal Home Loan Bank, unless prior grants have been repaid or retention period has expired.
- Applicants may not be students with part-time or no income while in school who ordinarily would have a reasonable prospect for a substantial increase in income exceeding the AHP income eligibility limit upon entering the workforce full-time. In determining an applicant's eligibility, the Bank will consider factors including, but not limited to, the applicant's current student status, number of hours currently enrolled, anticipated date of graduation, and field of study. Supporting documentation will be required.

## 6: Accessibility Modifications Information

Eligible repairs must address accessibility needs of the home to assist with aging in place and independent living. Subsidy may only be used for repairs to the livable space of the home, unless otherwise noted. Where applicable, rehabilitation and repair of systems and materials must be of similar quality, like, and style. The Bank may exercise discretion in determining if repairs are eligible for funding. When possible, modifications should comply with Americans with Disabilities Act (ADA) or Universal Design specifications.

Any exceptions to the following list of eligible modifications and/or repairs must be **pre-approved by the Bank**. Work performed or completed prior to enrollment may not be paid for with AMP funds. The homeowner may not complete any of the approved rehabilitation funded by AMP.

### A. Eligible Accessibility Modifications

The following modifications are eligible for funding under AMP:

- Ramps/zero step entries
- Exterior steps leading to the entrance of the home
- Handrails
- Levered door handles
- Self-closing hinges (internal/external doors)
- Pocket doors or swing hinges
- Bathroom modifications
  - Walk-in/roll-in showers
  - grab bars
  - rebath - easy entry bath
  - ADA-approved toilets/drop down grab bar
  - Roll-under vanity
  - Lower level ½ bath conversions-to eliminate need to go upstairs\*

- Kitchen modifications
  - Lowering existing cabinets
- Internal chair and wheelchair lifts
- Plumbing and electrical modifications necessary to relocate laundry facilities to the main level of the home\*
- Home modification assessment expenses up to \$250, when performed by a certified professional
- Widened doorways
- Installation of smoke detectors or carbon monoxide detectors
- Universal Design floor coverings
- Exclusions may apply

\* Additional documentation may be required.

If work is being performed by a related party to the homeowner, the Member must ensure that all repairs included in the original bid are being completed and funds are being used for said repairs.

**Any exceptions to the eligible rehabilitation/repairs included in Section 6.A must be pre-approved by the Bank.**

*B. Other Repairs:*

An amount, up to 50% of the AMP funds requested, may be used for NIP deferred maintenance items listed in *Attachment H: Section 6A* of this Plan.

\* Additional documentation may be required.

## **7: Eligible Property Types**

The following property types are eligible to receive AMP funding:

- Owner-occupied 1-4 family properties,
- Townhouses,
- Condominiums,
- Cooperatives, and
- Manufactured housing deeded as Real Estate

Lease/purchase arrangements and land contracts are not eligible ownership structures.

All properties must be titled as real estate and be permanently affixed to a permanent foundation.

## **8: Post-Disbursement**

It is expected that all home modifications will be completed within **6 months** of the Bank's disbursement of funds. The Member is responsible for managing the progress and completion of the repair project.

**9: Monitoring, Reporting, and Documentation**

Annually, the Bank will monitor a random sampling of households disbursed to each Member to ensure compliance with the AMP program requirements.

*On-Site Monitoring*

At the discretion of the Bank, participating Members may be selected for monitoring review. During reviews, which are held at the Member's place of business, the Bank reviews the Member's policies and procedures for administering AMP and a sampling of the grant recipient files. The Bank reserves the right to review all files if sampling indicates compliance issues.

**10: Income Guidelines** (see *Attachment D*)

All Members must use the income guidelines as outlined in *Attachment D* of the current Plan. Households must have incomes at or below 80% of the HUD median income limits, based on the household size, for the area at the time the household is accepted for enrollment by the Member.