



Housing Rehabilitation Loan Program Guidelines

City of Medford

Office of Planning, Development and Sustainability

A. Program Summary

The City of Medford invites homeowners to apply for the Housing Rehabilitation Loan Program. This round of the Program will provide assistance to up to four eligible homeowners who live in owner-occupied homes in Medford. Successful Applicants will be provided with interest-free, deferred payment loans of up to \$50,000 to make essential repairs and modifications to their homes. The Program includes a city-contracted Housing Rehabilitation Specialist who will determine the eligible scope of work and identify and manage a qualified contractor.

Applicants who wish to participate must meet income eligibility requirements and be willing to share with the City required documents showing their current income to verify their income. To ensure equal opportunities for all eligible Applicants, a lottery will be conducted.

The Program is funded through the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG). The Program is subject to the availability of CDBG funding from HUD and to the continued eligibility of the City to receive such funds. Review and acceptance of Applicants will be subject to applicable HUD regulations.

Interested homeowners are requested to apply for this Program by December 1, 2025.

B. Project Definitions

1. *Program*: The Housing Rehabilitation Loan Program offered by the City of Medford.
2. *Program Staff*: The City's Housing Planner, Katherine Buckingham, will administer and manage the Program.
3. *Applicant*: An eligible homeowner applying for this Program.
4. *Housing Rehabilitation Specialist*: Community Opportunities Group, a consulting firm hired by the City to determine housing rehabilitation needs, estimate costs, prepare bid documents, select contractors, and monitor construction.
5. *Certified Lead Inspector*: An individual trained and licensed to determine the presence of lead-based paint in a home.
6. *Contractor*: A person or entity that agrees to perform housing rehabilitation work in a home.

C. Funding Assistance:

The maximum project funding for each residential unit is \$50,000. The funding assistance will be provided in the form of an interest-free mortgage loan. Payment of the principal balance will be due on (i) the Applicant ceasing to be an owner of the property, or (ii) the death of the Applicant. The Applicant will be required to provide proof of continued ownership annually.

D. Eligibility Criteria

Applicants interested in participating in the Program must meet the following eligibility criteria:

1. **Property:** A property must be the Applicant's residence and must be located in the City of Medford.
2. **Property Ownership:** Low- and moderate-income homeowners who live in owner-occupied residences (including condominiums) are eligible Applicants. If more than one person owns the property, all owners must be included in the application.
3. **Income:** The Applicant's household income must be at or below eighty percent (80%) of the current area median income as defined by HUD. **To be eligible, the total income of all persons 18 years or older living in the household, whether related or unrelated, must be at or below the HUD Income Limits listed below.**

HUD Income Limits:

Household Size	Maximum Gross Annual Income (FY 2025)
1	\$92,650
2	\$105,850
3	\$119,100
4	\$132,300
5	\$142,900
6	\$153,500
7	\$164,100
8	\$174,650

Source: [HUD CDBG FY2025 Income Limits](#)

Owners of condominium units must have approval from their condominium association to perform any work on exterior or shared areas. Approval may be necessary for interior rehabilitation work as well if required by the rules of the condominium association. Program Staff will require written approval by the condominium association as part of the application process.

4. **Credit Status:** Applicants must ensure that all mortgages or other loans secured by the property are in good standing. Applicants who are in bankruptcy proceedings must

demonstrate that the property will not be impacted by the bankruptcy. The property should not have any state or federal tax liens. If any existing mortgage or other loan secured by the property is not in good standing (e.g., in arrears, default or foreclosure), please inform Program Staff. Also, notify Program Staff if the Applicant is involved in bankruptcy proceedings. Please note that the Program will not provide funding assistance to Applicants who have not resolved the above-mentioned issues.

5. **Taxes, Water, and Sewer Payments:** Applicants must be current in the payment of property taxes, water and sewer fees, assessment and other government charges, fines, and liens before work on a rehabilitation project may begin and must keep current with such charges for the full term of the loan.
6. **Flood insurance:** If a property is within the 100-year floodplain, the Applicant must provide proof of flood insurance coverage to be eligible for the Program.
7. **Lead Paint:** If the property was built before 1978, the Applicant must report if the property has previously been tested to determine if lead paint is present, or if the property has been de-leaded. Depending on the age of the home and the type and cost of work requested by the Applicant, the property may be subject to testing for lead. If the presence of lead is detected, the City may require that de-leading work be completed in accordance with HUD requirements, and such costs will be included in the amount of the loan.
8. **Asbestos:** If any asbestos containing materials are found in the property that would be disturbed during the course of work to be performed, the City may require that such asbestos containing materials be removed and disposed of in accordance with state and local requirements, and the costs of such removal and disposal will be included in the amount of the loan.
9. **Environmental Review:** Prior to commencing any work, the City will conduct an environmental review of the property to confirm whether the proposed project has any potential environmental impacts in accordance with federal, state, and local environmental standards. If the City determines, in its sole discretion, that the project would create environmental impacts, the City will not proceed with the project.
10. **Eligible activities:** The Program will provide home improvement services up to the maximum project funding cost of \$50,000 which could include but are not limited to improvements such as:

Lead paint inspection/abatement	Accessibility upgrades
Foundation Repairs	Electrical
Hot water heaters	Siding
Insulation	Roof repairs and replacement
Walls/ceilings/ floors	Air-conditioning systems
Heating systems	Porches/steps

Painting	Windows
Radon testing and mitigation	Plumbing

11. Conflicts of Interest: The City of Medford must follow the regulations outlined in Massachusetts General Laws, Chapter 268A, and the standards in 24 CFR 92.356 concerning conflicts of interest. Individuals who currently hold or have previously held roles related to activities supported by CDBG funds, or who have the ability to participate in decision-making processes or access privileged information regarding these activities, are prohibited from obtaining any financial interest or benefit from a CDBG-assisted activity. They are also prohibited from having an interest in any contract, subcontract, or agreement related to such activities or their proceeds, either for themselves or for individuals with whom they have family or business ties, during their tenure or for one year after.

E. Application Process

1. All Applicants are required to complete a Homeowner Application Form which is available:
 - on the City of Medford's website: medfordma.org/housing-rehabilitation
 - at the Office of Planning, Development and Sustainability, Room 308, Medford City Hall, 85 George P Hassett Drive, MA 02155
 - at the Medford Senior Center, 101 Riverside Ave, Medford MA 02155
 - at the Medford Public Library, 111 High ST, Medford MA 02115
2. Applications will be prescreened, and eligible applications will be selected through a lottery. Successful Applicants will be requested to provide documents for verification. If an Applicant does not submit the requested information within 20 days, the review process will be terminated.
3. Once an Applicant has been determined to be eligible, the Housing Rehabilitation Specialist will inspect the property. A Certified Lead Inspector may be required to test the property depending upon the age and nature of the building. The Housing Rehabilitation Specialist will work with the Applicant to develop a scope of work and a cost estimate of eligible rehabilitation services.
4. The City will also complete an environmental review of the property.
5. After the home inspection and environmental review are completed, the Housing Rehabilitation Specialist will draft a Bid Invitation that lists all approved work for funding under the Program along with estimated costs.
6. Once the Applicant has approved the project, the Housing Rehabilitation Specialist will submit the project for bid by contractors.
7. Contracts will be awarded to the lowest qualified bidder as determined by the bidding process for the subject property, if approved by the Applicant.

8. Program Staff will prepare loan documents, including an Assistance Agreement, a Promissory Note, and a Mortgage, between the property owner and the City of Medford, and a contract between the owner and the selected Contractor.
9. Contractors must comply with all local and state permitting requirements and can only start work after receiving written notice to proceed from the City of Medford. The Housing Rehabilitation Specialist will conduct regular inspections of the property to ensure compliance with the contract and scope of work.
10. Upon project completion, the Housing Rehabilitation Specialist will perform the final inspection of the property. Final payments to the Contractor will be made after final inspections and with written acceptance from the Applicant.

If you have any questions or would like additional information about the Housing Rehabilitation Loan Program, please contact Katherine Buckingham, Staff Planner at kbuckingham@medford-ma.gov or 781-475-5991.