

Single Family Roof Repair

Illinois Housing Development Authority

Homeownership: Home Improvement and Rehabilitation

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Introduction

For many families, the high costs of repairs and maintenance can make homeownership unaffordable. Nearly half of the single-family housing stock in Illinois is more 50 years old, and many of these homes are in need of updates, renovations or repairs that can be out of reach for low- and very-low income households. Bloomington, Illinois homeowner Melissa Williams was living paycheck to paycheck as she took care of her mother and focused on finishing college. Unable to replace her drafty windows – let alone repair her 20-year-old roof – she didn't know where to turn when her boiler broke, leaving her home completely without heat. However, when she saw an online ad for IHDA's Single Family Rehabilitation (SFR) Program, Melissa found the help she needed to make her home more comfortable, safe and energy efficient without going into debt.

Single Family Rehabilitation Program Framework

In 2016, the Illinois Housing Development Authority (IHDA) launched the Single Family Rehabilitation Program to assist income eligible Illinois homeowners with critical home repairs. The program provides five-year forgivable loans of up to \$45,000 per household to assist homeowners in making necessary repairs to remove health and safety hazards such as roofing, flooring, plumbing, siding, or other code and safety issues in the property. Eligible properties must have a documented health or safety issue or concern, such as a mechanical, electrical, structural or plumbing issue that could undermine the integrity of the home. SFR was modeled after the Authority's previous HOME funded Single Family Owner-Occupied Rehabilitation (SFOOR) program.

Funded through the Illinois Affordable Housing Trust Fund, SFR provides funding to units of local government and non-profit organizations throughout Illinois, which work to reserve and oversee forgivable loans for eligible households within their community. IHDA does not directly fund homeowners, as the sub-grantees that receive awards administer their own programs locally and manage the homeowner application process from start to finish. The sub-grantee determines if a qualified risk inspection needs to be done, and a home inspector determines if lead-based paint is present and what further remediation efforts are warranted as a part of the work.

The program is competitively funded and publicized through a Notice of Funding Availability and a Request for Applications is distributed as funding becomes available. Units of local government and nonprofits are eligible to apply, provided they have experience operating programs for low- or very-low income households, as well as experience in housing rehabilitation and construction project management. If the applicant does not have the experience directly, they can partner with an agency that does. IHDA conducts application workshops and webinars during the application period and scores applications according to set scoring criteria. Applicants that score the highest are selected to participate in the program, and IHDA works within those qualified applicants to achieve an equitable geographic distribution of funds.

The program is available statewide, although SFR applicants must be outside of the U.S. Department of Housing and Urban Development's HOME Participating Jurisdictions. In this way, SFR targets those areas that receive less federal aid and have less means to serve their constituents. In the current and

upcoming funding rounds, 21 participating non-profits and units of local government work directly with eligible homeowners.

Responding to a New Need

The SFR Program has facilitated costly repairs for hundreds of households, which would have been otherwise unaffordable, preventing foreclosures and improving the quality of single-family housing stock in communities throughout Illinois. For years, it has allowed non-profit organizations to administer local repair programs so that residents like Melissa can safely remain in their homes by funding work that corrects code violations, eliminates hazards, and lowers energy consumption in aging properties. However, as IHDA worked with program sub-grantees and conducted surveys to gauge local needs, the responses overwhelmingly highlighted the need for a roofing program. Consequently, the Single Family Rehab with Roof Only (SFR-R) Program was introduced in late 2018.

While the general program rules and application processes remain the same, the SFR-R Program offers a three-year forgivable loan of up to \$16,500 per household for roof replacement or repair, which includes work on rafters, gutters, fascia, soffits and downspouts. This limit includes soft costs (including termite inspections, recording fees, title search) and administrative costs associated with project delivery. Eligible households may access this option if there are only minor maintenance issues outside of the roof repair that the homeowner can address without the need for assistance. The local sub-grantee will certify that there are no other major health and safety issues that need to be addressed, leaving it to the program administrator to determine what level of assistance the homeowner requires. To the extent funds are available, homeowners may transfer from SFR-R to SFR if health and safety issues are discovered as roofing renovations are performed.

Effective Use of Resources

IHDA quickly realized a multitude of benefits since launching the Roof Only option. The most crucial and expensive repair a homeowner faces is often the repair or replacement of their roof. In addition, fixing a roof can safeguard the structural integrity and safety of the home against further disintegration, which is more costly in the end. Also, a dilapidated roof will likely result in the loss of insurability, putting the homeowner's stability and ability to remain in their home at serious risk. Finally, from a programmatic perspective, the lower assistance limit per household allows IHDA's limited program funding to go further, assisting a greater number of homeowners and communities of need.

Results

Since it was introduced, IHDA has dedicated \$16 million in state housing resources over two funding rounds to the SFR and SFR-R programs. With that investment, local sub-grantees will renovate and repair 430 homes across 46 counties.

IHDA understands that investing in homes and communities across the state is an effective way to combat the ongoing effects of the housing crisis and assist with revitalization efforts. The Single Family Rehabilitation with Roof Only program is a replicable initiative that extends limited resources to address

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a real need in communities across the state. By renovating a beneficiary's home at no cost to them, we are providing them with just that – a home that is healthy, no longer an eyesore, and safe to raise a family over the long term.