What is the Owner Occupied Rehabilitation (OOR) Program?
The OOR program is designed to rehabilitate substandard units through conditional grants, deferred loans, or low-interest loans, depending on household income. The purpose of the program is to increase the attractiveness of neighborhoods; prevent the spread of blight; increase the number of good, habitable homes; promote continued homeownership; discourage the neglect of homes; and provide assistance to people with the greatest need. The program is available in Cass, Johnson, Nemaha, Otoe, Pawnee, Richardson, and Sarpy Counties.

Who is eligible?
To receive assistance, both property owners and their property must meet eligibility requirements. For the property to be eligible: it must be a single family owner-occupied dwelling that is the principal residence of the homeowner applicant. Rental properties and mobile homes are not eligible for assistance. Furthermore, the property must not be for sale; it must be located in a municipality or incorporated community; it must be able to be rehabilitated at a reasonable cost, not to exceed the program’s maximum amount of $24,000; and it must be free of debris that is hazardous to public safety or impairs the appearance of the neighborhood. For the homeowner applicant to be eligible: the applicant’s total household income cannot exceed the established income guidelines for the program; total household assets cannot exceed $50,000 (exclusions apply); and the applicant must be current on property taxes, insurance, and mortgage.

How much assistance is available?
The program can provide up to $24,000 in assistance, not including any costs associated with lead based paint. The amount of assistance will depend upon the amount of work required and the actual contract price.

What type of financial assistance is available?
There are three types of financial assistance available. The financial assistance received is dependent upon income. The conditional grant is awarded to those with a “very low” income. The conditional grant is only payable if the homeowner does not occupy the property for 10 years. If occupied for less than 10 years, the homeowner can be required to pay back a pro-rated amount. The deferred loan is awarded to those with a “low” income. The deferred loan is only payable if the homeowner does not occupy the property for 15 years. If occupied for less than 15 years, the homeowner is required to repay the entire amount. The 0% Direct Loan is awarded to those with a “moderate” income. The direct loan consists of monthly payments at 0% interest for a negotiated term of five to 15 years.

Do I have to pay for anything?
There is no fee to apply and typically no costs associated with the program. In rare instances, homeowners may be asked to pay for some repairs or put in “sweat equity” in order to lower the contract price to within the program limits so that they, and their home, may be served.

What work is eligible?
The property must conform to any local building codes and Minimum Rehabilitation Standards after work is complete. Eligible repairs include, but are not necessarily limited to: the correction of code deficiencies; structural repairs; repairs or replacement of basic equipment; additional or enlarged bedrooms to eliminate overcrowding; landscaping for non-aesthetic purposes; energy conservation such as insulation and repairing or replacing doors and windows; fire protection; modifications to make the home more accessible; and lead based paint stabilization.

May I select the work that I want done?
Homeowners are consulted regarding the repairs they would like to see to the home. Program staff will make every effort to accommodate the homeowner’s wishes regarding eligible or potentially eligible work to their home. However, sometimes the work desired by the homeowner(s) is not eligible under the program and cannot be completed.

How do I find a contractor?
The program uses general contractors and sets standards for those who work on projects. Contractors must be registered with the State of Nebraska, insured at $500,000 or more and trained in Lead Safe Work Practices, if working on a pre-1978 home. SENCA has a list of qualified contractors from which homeowners may select a contractor. Homeowners are welcome to select contractors who are not on the list, provided they meet the standards outlined above. Normally, the lowest responsible and responsive contractor will be awarded a contract, which is between the homeowner(s) and the contractor only.
What happens if I’m not satisfied with the work?
During the rehabilitation phase, homeowners are responsible for observing the contractor. Any improper or questionable work should be discussed with the contractor. If those discussions fail, the work should be reported to SENCA staff. When requested by the homeowner or contractor, staff will visit the site to inspect the work. The homeowner and SENCA staff must approve the work before releasing payment to the contractor. The final payment, 20% of the contract amount, is withheld until the home has passed a lead based paint clearance test (if applicable) and SENCA has conducted a final inspection verifying that all work has been completed in a satisfactory manner. There is a one year guarantee of workmanship that takes effect at project completion. During that guarantee period, contractors are obligated to repair any defective work.

How does the program test for and address lead based paint hazards?
Homes built prior to 1978 are very likely to have lead based paint. A lead based paint risk assessment will be conducted on all properties constructed prior to 1978. This risk assessment will identify any known or suspected lead based paint hazards on both the interior and exterior of the home. SENCA staff will provide the homeowner(s) with a copy of the risk assessment and explain the findings. The contractor will also be provided with a copy of the risk assessment. Any lead hazards identified will be addressed through the rehab process and lead safe work practices and interim controls will be utilized. Once all work has been completed, a clearance test will be conducted to ensure that the lead hazards have been properly addressed and no new hazards were created. The clearance test must be passed. SENCA will provide the homeowner(s) and contractor with a copy of the clearance report and results.

What are the steps in the OOR Program?
The OOR program is a lengthy process with many steps and, as such, requires patience. A brief outline of the steps is as follows:

1. Applicant submits an application, along with all required information, to SENCA. Application cannot be processed until all information has been received.
2. SENCA verifies all asset and income information to ensure applicant is income eligible for the program.
3. Applicant is notified of eligibility and, if eligible, a preliminary inspection is scheduled.
4. SENCA staff performs a preliminary inspection to determine likelihood that home can be rehabbed for less than the program maximum.
5. Applicant is notified of final eligibility. For applicants who have been selected, a comprehensive property inspection is scheduled. All other eligible applicants will be placed on a waiting list and will be selected and served at a later date and only if program funds allow.
6. SENCA staff performs a comprehensive property inspection to determine all repairs necessary to bring the home up to the standards set forth by the program. If the home was built prior to 1978, a lead based paint risk assessment will be conducted. SENCA will estimate the cost of all repairs to ensure that the home can be rehabbed for less than the program maximum. (NOTE: If, after the comprehensive property inspection, it is determined that the home cannot be rehabbed for less than the program maximum, the house and applicant will be determined ineligible for the program.)
7. A bid write-up will be prepared and the homeowner(s) will solicit bids from at least three contractors.
8. After bids are received, SENCA will assist the homeowner(s) in selecting a contractor.
9. SENCA will meet with the homeowner(s) to sign the loan paperwork, including a Deed of Trust (DOT) which will be filed against the property, and rehab documents. SENCA will wait three days to file the DOT. Rehab documents will also be signed by the contractor at this time.
10. Once the DOT has been filed, the contractor will be given notice to proceed and must start work within the timeframe outlined in the rehab contract.
11. SENCA will monitor construction and conduct periodic progress inspections when payment is requested from the contractor. The final payment (20% of the contract amount) is withheld until the home has passed a lead based paint clearance test (if applicable) and SENCA has conducted a final inspection verifying that all work has been completed in a satisfactory manner. All contractor work has a warranty of one year.
12. All future maintenance and repair of the property is the responsibility of the homeowner(s).

Who do I contact if I have further questions?
For further information, please contact Rosanna Glathar, Housing Program Manager, at (402) 862-2411, ext. 116, toll free at (888) 313-5608, ext. 116, or via email at rglathar@senca.org.

The above questions and answers are for informational purposes only. They are not meant to be rules and regulations of the SENCA Owner Occupied Rehab Program.  

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