

HOMEOWNER REIMBURSEMENT PROGRAM

ELIGIBILITY, EXPENSES AND BENEFITS QUICK GUIDE



The Homeowner Reimbursement Program application period closed on December 31, 2019.

Applicants may be eligible for HRP reimbursement assistance if they spent more money repairing, elevating or reconstructing their storm-damaged home than they received from other sources such as insurance, FEMA and SBA disaster loans. Before an application is started, the applicant should ensure that they can satisfy each of the following:

► ELIGIBILITY CRITERIA

□ HARVEY DAMAGE

The home must have sustained physical damage caused by Hurricane Harvey. Damage is defined as rain, wind and/or flood damage received as a direct result of the storm, and any damage indirectly resulting from the storm. This includes individuals whose homes were flooded after Harvey due to the release of water from reservoirs, lakes or other impounded bodies of water.

□ IDENTITY

The program must verify the identity of the applicant listed on the application. All of the methods of identification must be current and valid at the time that they are provided to the program.

□ OWNERSHIP AT THE TIME OF HARVEY

The applicant must have owned the property that is listed on the application at the time of Hurricane Harvey. If they purchased the property after Hurricane Harvey, they are not eligible.

□ OWNERSHIP AT THE TIME OF APPLICATION

The applicant must still own the property at the time that they apply for HRP assistance. If they sold the property after Hurricane Harvey, they are not eligible.

□ OWNERSHIP BY A NATURAL PERSON

The owner of the property must be a natural person. Properties that are owned by Trusts, Limited Liability Companies (LLC), Corporations or other legal entities are not eligible for HRP assistance.

□ PRIMARY RESIDENCE AT THE TIME OF HURRICANE HARVEY

The property that is listed on the application must have served as the applicant's primary residence at the time of Hurricane Harvey. Second homes are not eligible for assistance.

□ PRIMARY RESIDENCE AT THE TIME OF APPLICATION

The owner of the property must be a natural person. Properties that are owned by Trusts, Limited Liability Companies (LLC), Corporations or other legal entities are not eligible for HRP assistance.

□ INCOME

Applicants are eligible to receive HRP assistance regardless of their income. However, applicants must accurately report their income to HRP in accordance with HUD and GLO requirements. Applicants must also provide demographic information for their household.

□ FLOOD INSURANCE REQUIRED DUE TO PRIOR FLOOD DISASTER ASSISTANCE

Properties that received federal flood disaster assistance in the past are required to carry flood insurance through the National Flood Insurance Program (NFIP) or through a private insurer.

□ FLOOD INSURANCE REQUIRED DUE TO HIGHER INCOME

If the applicant's household income exceeds 120% of the Area Median Family Income (AMFI) and the applicant's property is located in the 100-year floodplain, the property must have been covered by a policy of flood insurance issued through the National Flood Insurance Program (NFIP) or through a private insurer.

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□ PROPERTY TAXES

The applicant must be current on their property taxes or, if taxes are not current, they must provide proof that they are participating in a payment plan approved by the relevant authority, or that they qualify for an exemption under current laws.

□ CHILD SUPPORT

Applicants must state on their application whether or not they are required to pay child support. If they are required to pay child support, they must also declare on their application that they are current on their child support. If an applicant states on their application that they are required to pay child support AND that they are not current on that child support, the applicant must either make all required payments or enter into a payment plan and then execute the required affidavit.

□ RESIDENTIAL UNIT

The housing unit receiving assistance must be a single-family, owner occupied residential unit. Commercial units, commercial space, or detached structures (detached garages, barns, shops, storage buildings) are not eligible for the program.

□ SINGLE UNIT

The property receiving assistance must contain only one residential unit because the program is intended to only serve owner-occupant homeowners.

□ PROPERTY INSURABILITY

All properties that receive reimbursement that are located in the 100-year floodplain must obtain and maintain flood insurance in an amount that is equal to the sum of the total amount of assistance received from the Homeowner Reimbursement Program or to the maximum limit of coverage made available through the National Flood Insurance Program, whichever is less. Homes that are located 100% over water and mobile homes that are not permanently affixed to a foundation are not eligible for flood insurance and are not eligible for HRP.

□ REIMBURSEMENT OF GREATER THAN \$500

The applicant must be eligible to receive no less than \$500 in reimbursement.

□ DWELLING SAFETY

Homes that are unsafe to enter will not be eligible for reimbursement assistance as the completion of a site assessment is required to complete application processing. The reasons for unsafe to enter will include:

1. Unsafe structural integrity;
2. Infestation; or
3. Other safety or security reasons present at the time of the site visit

□ FLOODWAY

Homes within a floodway are not eligible for assistance.

□ LOCATION OUTSIDE THE CITY OF HOUSTON

The property receiving assistance must not be located within the City of Houston. The City of Houston is administering its own reimbursement program for homeowners.

□ LOCATION OUTSIDE OF HARRIS COUNTY

The property receiving assistance must not be located within Harris County. Harris County is administering its own reimbursement program for homeowners.

□ LOCATION IN AN ELIGIBLE HARVEY IMPACTED AREA

The property receiving assistance must be located in one of the HUD or State Most Impacted and Distressed (MID) counties: Aransas, Austin, Bastrop, Bee, Brazoria, Burleson, Caldwell, Calhoun, Chambers, Colorado, Comal, DeWitt, Fayette, Fort Bend, Galveston, Goliad, Gonzales, Grimes, Guadalupe, Hardin, Jackson, Jasper, Jefferson, Jim Wells, Karnes, Kleberg, Lavaca, Lee, Liberty, Madison, Matagorda, Milam, Montgomery, Newton, Nueces, Orange, Polk, Refugio, Sabine, San Augustine, San Jacinto, San Patricio, Tyler, Victoria, Walker, Waller, Washington, Wharton.

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► REIMBURSABLE EXPENSES

If all of the above criteria are met, an application should be submitted, and a determination of reimbursement would be made. This section gives applicants an idea of the type of expenses that are eligible for this reimbursement. This final determination is based upon the total amount that an applicant spent on eligible construction expenses and the total amount of disaster recovery benefits for home repair that they have already received from other sources (FEMA, SBA, etc.).

Expenses can be separated into 3 categories:

Reimbursable Expense - Construction expenses incurred by applicants who repaired, elevated or reconstructed their home using “out of pocket” funds.

Allowable Activity Expense - Benefits received from insurance, SBA, FEMA, or other sources for eligible purposes may count as a credit to offset an applicant’s duplication of benefits liability. These expenses are included in the calculation because they may increase an applicant’s reimbursement amount even though they are not directly reimbursable expenses.

Ineligible Expense – Expenses that are both ineligible for reimbursement and for the purpose of performing the duplication of benefits calculation.

In order to accurately perform the reimbursement calculation, it is important to follow these rules:

Make sure that applicants provide documentation for **ALL** of their construction/repair expenses, even those that they say that they paid for using insurance, FEMA or SBA funds. If the GLO does not receive these expenses, it is likely that the applicant will not receive any reimbursement.

Make sure that applicants provide documentation for **ALL** allowable activity expenses that are listed in this Quick Guide. This will help HRP calculate the applicant’s reimbursement accurately and it may help to increase the applicant’s reimbursement amounts.

Make sure that applicants **DO NOT** claim expenses for non-allowable items. Taking in expense documentation for ineligible items will only slow down the processing of applications.

► DISASTER RECOVERY BENEFITS DOCUMENTATION

The GLO will need to collect **documentation** of all of the insurance, FEMA, SBA and other Harvey disaster recovery benefits that an applicant has already received and all expenses an applicant is claiming. This will help speed up the processing of applications and it will help homeowners more quickly. Applicants should submit the following types of documentation showing the benefits that they have already received. HRP will verify all of this information with FEMA, SBA and insurance companies, but providing this information to the program early will help speed application processing.

Homeowners, flood or windstorm insurance claims payment information for structural loss

Small Business Administration (SBA) Personal Disaster Loan award letters for real estate property damage loans and mitigation loans

Homeowners, flood or windstorm insurance claims payment information for additional living expenses (ALE) or temporary housing payments

FEMA Individual Assistance (IA) award letters for home repair, replacement or construction

USDA Emergency Loan Program (EM) award letters for home construction

FEMA Individual Assistance (IA) award letters for temporary housing and rental assistance

Flood Insurance Increased Cost of Compliance award letters

Awards letters from charitable and philanthropic organizations for funds that were intended to only be used for home repair

Awards letters from charitable and philanthropic organizations for funds that were intended to only be used for temporary housing

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► EXPENSE CATEGORY QUICK INFORMATION

Expense Category	Expense Explanation	Reimbursable Expense	Allowable Activity Expense
Repair of the Residential Structure	Structural, interior and exterior repairs of the home. Including, but not limited to, repair or replacement of doors, windows, drywall, roof, floors, plumbing, gas, electrical, water heaters and HVAC.	✓	
Elevation of the Residential Structure	Elevation of the home plus all associated structural, interior and exterior repairs of the home. Including, but not limited to, repair or replacement of doors, windows, drywall, roof, floors, plumbing, gas, electrical, water heaters and HVAC.	✓	
Reconstruction of the Residential Structure	Complete reconstruction of the home.	✓	
Replacement of Essential Appliances	Refrigerators, stoves, ovens, cooktops, ranges, built-in microwave ovens and dishwashers will be included in the valuation.	✓	
Sewer, Septic, Water or Well Repair & Replacement	Repair or replacement of sewer, septic, water or well systems located outside of the home's footprint.	✓	
Demolition & Debris Removal	Complete demolition of the home for reconstruction or removal of debris from the curb to a landfill.	✓	
Asbestos, Lead Paint & Mold Abatement & Remediation	Remediation or abatement of mold, lead based paint or asbestos hazards.	✓	
Design, Permit & Inspection Fees	Fees paid to architects, designers or engineers to facilitate the repair, elevation or reconstruction of a home and permit fees (local, state or federal) related to the repair, elevation or reconstruction of a home, demolition activities or mitigation activities. This would also include any fees paid for permit inspections.	✓	
Land Surveys & Soil Tests or Borings	Land surveys, soil testing and boring and other engineering related costs associated with elevation or reconstruction.	✓	
Repairs Outside of Residential Structure (Fences, Decks, Detached Structures)	Repair or replacement of fences, driveways, sidewalks, patios, decks, detached garages, utility buildings, storage sheds and other structures and fixtures outside of the footprint of the home.		✓
Repairs to Bulkheads & Seawalls	Repair or replacement of a bulkhead, seawall or wavebreak.		✓
Tree Removal	Tree removal, tree cutting and stump grinding.		✓
Temporary Repairs to Prevent Future Damage	Tarps or plywood to temporarily repair broken windows or roof damage.		✓

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Construction Equipment Rental or Purchase	Lease, rental or purchase of tools, industrial fans, mini-excavators, chainsaws, etc.		✓
Contractor Fraud	Amounts paid to a contractor for work that was not completed. Does not apply to work that was partially completed or completed improperly.		✓
Independent Adjustor or Assessor Fees	Hiring of an independent adjustor or damage assessor to assist with an insurance claim.		✓
Temporary Storage	Temporary storage of household items and furniture while the home is being repaired or reconstructed.		✓
Temporary Housing	Temporary housing costs associated with displacement of the home due to Hurricane Harvey.		✓
Forced Mortgage Payoff	Seizure of insurance funds by a mortgage company to involuntarily pay down a mortgage. Cannot be by choice.		✓
Attorney's Fees to Collect Insurance	Fees paid to an attorney to assist with an insurance claim or a lawsuit against an insurance company.		✓
Luxury Items	Pools, hot tubs, garage door openers, security systems, satellite dishes and recreational or playground equipment.	✗	✗
Non-Essential Appliances	Clothes washers, clothes dryers, wine refrigerators, beverage coolers, mini-refrigerators, grills, pizza ovens, built in coffee makers and countertop appliances.	✗	✗
Contents	Furniture, televisions, computers, electronics, household goods, clothing and food.	✗	✗
Living Expenses	Mortgage payments, insurance premiums and utility bills.	✗	✗
Rental Property	Repair or replacement of rental units located on the applicant's property. In the case of shared systems (a shared roof, HVAC, etc.), expenses will be apportioned between the owner-occupied portion of the property or structure and the rental portion of the structure based upon information collected during the site visit.	✗	✗