



The Metropolitan Development and Housing Agency does not discriminate against any person in program or client services regardless of race, color, age, national origin, marital status, sex, disability, religion, or any other legally protected status.

**METROPOLITAN DEVELOPMENT AND HOUSING AGENCY (MDHA)
2018 CDBG RENTAL REHABILITATION PROGRAM
LEAD BASED PAINT REQUIREMENTS**

All rental housing built prior to January 1978 that receives rental rehab assistance is required to adhere to the Department of Housing and Urban Development (HUD) Lead-Safe housing regulation at 24 CFR Part 35. This regulation addresses the notification and treatment of lead paint in all rental projects assisted with CDBG funds.

The lead-based paint regulation bases the requirements for testing, safe practices, and abatement on the amount of Federal funding used in the project. For example, because rehabilitation may create or exacerbate lead-based paint hazards, more extensive rehabilitation projects using larger amounts of Federal money require more intensive lead-based paint activities than smaller rehabilitation projects with less Federal funds. The following table describes lead-based paint activities based on per-unit rehabilitation amount.

Projects with per-unit rehab cost of \$5,000.00 or less:

- Paint testing by contractors licensed to do the same must be conducted on all surfaces that will be disturbed by rehabilitation.
- All paints must be repaired that will be disturbed during rehabilitation.
- Clearance is required only for the work area.
- Ongoing Maintenance – property owners receiving assistance must incorporate ongoing lead-based paint maintenance into regular building operations.

Projects with a per-unit rehab cost of \$5,001.00 - \$25,000.00:

- Paint testing by contractors licensed to do same must be conducted on all surfaces prior to rehabilitation that will be disturbed or replaced by rehabilitation.
- Risk Assessment must be performed prior to rehabilitation.
- If lead paint is found, Interim Controls and Safe Work Practices must be utilized during lead-based paint reduction.
- Unit(s) must be given Clearance status once rehabilitation is complete.
- Ongoing Maintenance – property owners receiving assistance must incorporate ongoing lead-based paint maintenance into regular building operations.

Projects with a per-unit rehab cost of \$25,000.00 or greater:

Paint testing must be performed by contractors licensed to do the same on all surfaces prior to rehabilitation that will be disturbed or replaced by rehabilitation.

- Risk Assessment must be performed prior to rehabilitation.
- If lead paint is found the abatement must be completed, by a certified abatement contractor, to permanently reduce these hazards.
- Interim Controls must be used on exterior surfaces with lead-based paint hazards that are not disturbed by the rehab.
- Safe work practices must be utilized during lead-based paint reduction.
- Unit(s) must be given Clearance status before rehab can begin.
- Ongoing Maintenance – property owners receiving assistance must incorporate ongoing lead-based paint maintenance into regular building operations.

All applicants will be responsible for the initial cost of the lead-based paint inspection/risk assessment that is needed to determine the extent of the of the lead-based paint reduction, elimination and clearance activities that will be necessary. This cost can be reimbursed from loan proceeds if the loan is approved and closed.

MDHA will monitor the lead-based paint reduction, elimination and clearance activities.

Applicants receiving a rehab loan will be eligible for a forgivable loan (forgiven over the 10 year compliance period) to assist with the cost of lead-based paint activities. The breakdown is as follows:

Cost of Rehabilitation	Amount of Lead-Based Paint Forgivable Loan
\$50,000 or less	Up to \$7,500
\$150,000 or less	Up to \$10,000
\$250,000 or less	Up to \$12,000

All lead-based paint activities must be completed and cleared by a certified clearance specialist prior to the rehab beginning.

The person conducting clearance must be independent of the contractor who performed the lead paint hazard reduction work.