TOWNSHIP OF LOWER MERION

GRANTS & COMMUNITY DEVELOPMENT COMMITTEE

WEDNESDAY, FEBRUARY 11, 2026
6:00 PM (Approximately)

Chairperson: Craig Timberlake

Vice Chairperson: Michael Daly, Maggie Epstein

AGENDA

1. **PUBLIC HEARING TO RECEIVE COMMENT ON CDBG 2026-2027 FUNDING NEEDS**
2. **RESOLUTION - INCREASING RESIDENTIAL REHABILITATION PROGRAM EMERGENCY PROJECT SPENDING AND DECLINING BALANCE LIEN LIMITS**
3. **RESOLUTION - MONTGOMERY COUNTY 2040 IMPLEMENTATION GRANT FOR THE CRICKET TERRACE IMPROVEMENTS**
4. **RESOLUTION - MONTGOMERY COUNTY 2040 IMPLEMENTATION GRANT FOR SIDEWALKS ON COUNTY LINE ROAD**

Township of Lower Merion
A FIRST CLASS TOWNSHIP

AGENDA ITEM INFORMATION

COMMITTEE: Grants & Community Development

ITEM: **PUBLIC HEARING TO RECEIVE COMMENT ON CDBG 2026-2027 FUNDING NEEDS**

The Committee will hold a public hearing to obtain the views of citizens and local organizations on the Township's housing and community development needs for the 2026-2027 HUD fiscal year.

PUBLIC COMMENT

ATTACHMENT(S):
Issue Briefing - 1st public Hearing

TOWNSHIP OF LOWER MERION

Grants and Community Development Committee
Issue Briefing

Topic: **Public Hearing for Fiscal Year 2026-2027 Community Development Block Grant Funding**

Prepared By: **Emily Crane, Community Development Technician**

Date: **February 6, 2026**

I. Action To Be Considered By The Board:

No action is required at this time. This is the first of two public hearings to inform the community and obtain public comment on the Township's annual application for Federal Funding through the Federal Department of Housing and Urban Development (HUD)'s Community Development Block Grant (CDBG) Program.

II. Why This Issue Requires Board Consideration:

HUD requires the Township to hold public hearings to obtain input from the community on housing and community development needs for people with low to moderate incomes.

III. Current Policy Or Practice (If Applicable):

Federal regulations require citizen participation through public hearings to receive the community's input regarding the Annual Action Plan submittal to HUD for fiscal year 2026-2027 CDBG funding to the Township. The fiscal year for the CDBG program follows the federal fiscal year and runs from July 1 through June 30.

IV. Other Relevant Background Information:

Lower Merion Township is identified as an entitlement community under the HUD CDBG program. An entitlement community is defined as a municipality (city or metropolitan area) with a population of 50,000 persons or more, which receives an annual allocation of CDBG funds directly from HUD under the CDBG Entitlement Program. The purpose of the CDBG program is to provide funding to help municipalities counter problems of housing affordability, blight, economic decline, and the shortfall of social services to low- and moderate-income persons, the homeless, and persons with special needs.

CDBG community development projects must be located within designated eligible neighborhoods, target areas, or demonstrate a benefit to lower income persons and, in most cases, must be undertaken by either the Township or a non-profit organization. In addition, the program or project must meet a national objective of the CDBG program and must be an eligible activity. Projects or programs must also be consistent with identified needs in the Township's 5-Year Consolidated Plan.

In a typical year, the CDBG funding allocation for Lower Merion Township breaks down as follows:

15-20% - Administration and Planning
Admin and Planning funds cover staff salaries, HUD consulting and advertising, provide support for Fair Housing in the community and can support various planning studies.

35-50% - Rehabilitation
Rehabilitation funds support affordable housing through the Township's Housing Rehabilitation Program and Home Purchase Program. Funds also support facilities projects. Previous projects include an ADA ramp at the Ardmore Library, upgraded elevators at the Ardmore House and new HVAC at the Center for Creative Works.

15% - Public Services
Public Service funding supports organizations that provide services such as after school programming, support for senior citizens and support for Victims of Abuse.

10% - Public Works
Public Works funds provide upgraded ADA curb cuts in various locations in the Township.

5% - Economic Development
Funds have supported Façade Improvement and Job Creation.

The Township will hold public hearings in February and March and will adopt the CDBG annual budget in May. This budget must be submitted to HUD by May 15th to request funding from HUD. These dates are subject to change based on the date of HUD's release of funding allocations.

V. Impact On Township Finances:

In fiscal year 2025 the Township received $966,616 in Federal funding under HUD's CDBG program. This funding supplements Township funds used to supply services to people of low to moderate-income in the community and rehabilitation of public facilities.

VI. Staff Recommendation: This is a public hearing and does not require action by the Board of Commissioners, so no staff recommendation is needed.

Township of Lower Merion
A FIRST CLASS TOWNSHIP

AGENDA ITEM INFORMATION

COMMITTEE: Grants & Community Development

ITEM: **RESOLUTION - INCREASING RESIDENTIAL REHABILITATION PROGRAM EMERGENCY PROJECT SPENDING AND DECLINING BALANCE LIEN LIMITS**

Consider for recommendation to the Board of Commissioners adoption of a resolution to amend the Community Development Block Grant (CDBG) Residential Rehabilitation Program (RRP) to increase emergency program spending and declining balance lien limits.

PUBLIC COMMENT

ATTACHMENT(S):
issue briefing - Res Rehab program resolution
RESOLUTION FOR RESID REHAB-Feb 11 2026.doc

TOWNSHIP OF LOWER MERION

Grants and Community Development Committee

Issue Briefing

Topic: **Increasing Residential Rehabilitation Program Emergency Project Spending and Declining Balance Lien Limits**

Prepared By: Emily Crane, Community Development Technician

Date: February 6, 2025

I. Action to Be Considered by The Board:

Adoption of a resolution to amend the Community Development Block Grant (CDBG) Residential Rehabilitation Program (RRP) to increase emergency program spending and declining balance lien limits.

II. Why This Issue Requires Board Consideration:

Board approval is needed to make changes to previous Board approved resolutions.

III. Current Policy or Practice (If Applicable):

The current Resolution setting the existing spending limits was approved by the Board in 2023. The limit on the declining balance lien has been in place for eighteen (18) years.

IV. Other Relevant Background Information:

The Residential Rehabilitation Program (RRP) provides financial and technical assistance to eligible homeowners for the purpose of rehabilitating and improving residential, owner-occupied properties through the Township. The RRP is funded by the Township's Community Development Block Grant (CDBG) annual allocation from the U.S. Department of Housing and Urban Development (HUD). Given the increase in construction costs, staff would like the Board to consider increasing the emergency project spending and declining balance lien limits.

Emergency Project Spending

The RRP includes a category for emergency projects (i.e. heaters, structural integrity issues, etc.). The emergency project spending limit is currently $25,000 and has been in place since 2023. Program regulations require staff to obtain Board approval for any RRP emergency project costs exceeding $25,000. Although this limit has only been in place for a short period of time, the significant increase in construction costs has resulted in approximately 60% of all emergency projects requiring staff to obtain Board approval to exceed the current spending limit. The current $25,000 limit and the increase in construction costs have caused delays on emergency projects as well as an increasing number of waiver requests to the Board needed to undertake these repairs. In order to improve the efficiency of the program and minimize project delays, staff recommends that the emergency project spending limit be increased to $35,000.

Declining Balance Liens

When a RRP project is undertaken, a declining balance lien up to $25,000 (excluding lead abatement) is placed by the Township on the property where the project is taking place. This lien declines at a rate of 20% yearly, reducing the balance to zero by the end of the five-year term, at which point the lien is released. Any rehabilitation project exceeding $25,000 in cost is currently secured by the Township with a permanent lien. The current declining balance lien limit of $25,000 has been in place for 18 years. The increased cost of construction has resulted in most RRP projects exceeding that limit
Staff recommends increasing the declining balance lien limit to $40,000 to reflect the increased cost of construction. Projects with costs over $40,000 would be secured with a permanent lien.

V. Impact on Township Finances:

There is no impact to the Township's finances. All funds are federal CDBG funds.

VI. Staff Recommendation:

Staff recommends that the Board of Commissioners approve the resolution amending the residential rehabilitation program regulations to increase the emergency program spending limit to $35,000 and the declining balance lien limit to $40,000.

TOWNSHIP OF LOWER MERION

RESOLUTION NO. ___________

ESTABLISHING PURPOSES, ELIGIBILITY, LIMITATIONS, COSTS AND ADMINISTRATION PROCEDURES FOR GRANTS AND DEFERRED PAYMENT LOANS TO PROPERTY OWNERS IN LOWER MERION TOWNSHIP TO BE ASSISTED UNDER THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT'S COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM AS AUTHORIZED BY THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974, AS AMENDED, AND THE TOWNSHIP OF LOWER MERION MUNICIPAL CODE.

WHEREAS, the Township of Lower Merion has determined that Federal Community Development Block Grant Funds shall be used for the purpose of assisting property owners in the improvement and upgrading of properties determined, upon inspection, to be deficient in terms of compliance with National/County/Municipal housing, building, electrical, fire, plumbing and mechanical codes and ordinances; and

WHEREAS, the Township of Lower Merion wishes to reduce lead-based paint hazards in residential properties during the rehabilitation process; and

WHEREAS, the Housing and Community Development Act of 1974, as amended, through the use of Community Development Block Grant Funds, permits the Township as an "entitlement" community, to expend Federal Community Development Block Grant Funds for the purpose of assisting individual property owners; and

WHEREAS, the Township of Lower Merion has been delegated complete administration and management responsibility of the entitlement Federal Community Development Block Grant Funds; and

NOW, THEREFORE BE IT RESOLVED by the Board of Commissioners of the Township of Lower Merion that the following shall serve as guidelines for the granting of financial assistance for the Housing Rehabilitation Program:

Article 1. Identification: The assistance to individual property owners shall be known as the Housing Rehabilitation Program hereby identified as the Program. Property owners must agree to undertake both rehabilitation and lead hazard control work to participate in the Program. The Program shall consist of the following two categories: a.) Owner-Occupied Single-Family Dwellings & Owner-Occupied Two-Family Dwellings, and b.) Emergency Rehabilitation Program.

a. Owner-Occupied Single-Family Dwellings & Owner-Occupied Two-Family Dwellings

   Rehabilitation and lead hazard control work of owner-occupied single-family dwellings and owner-occupied two-family dwellings for residents with annual household incomes up to 80% of the Standard Metropolitan Statistical Area ("SMSA") median family income as determined by the U.S. Department Housing and Urban Development ("HUD").

b. Emergency Rehabilitation Program

   An Emergency Rehabilitation Program for any family with incomes up to 80% of the SMSA median family income.

Article 2. Program Description: The Program shall provide direct grants for lead abatement, deferred payment loans and/or permanent liens for residential rehabilitation to qualified low- and moderate-income persons and families who own and occupy their properties. The funds provided will be used to improve and upgrade substandard dwelling units for the purpose of providing an acceptable or standard living unit, to increase accessibility for the disabled and to meet lead-based paint compliance standards.

Article 3. Definitions:

a. Assets: Liquid assets, stocks, bonds, certificates of deposit, checking accounts, savings accounts, real estate, personal property held as an investment, but excluding automobiles, life insurance and the market value of the dwelling to be rehabilitated.

b. Deferred Payment Loan: The financing mechanism for the Housing Rehabilitation Program. The monies provided to an applicant (excluding costs of environmental testing and abatement) shall be a non-interest bearing, declining balance loan secured by a municipal lien. If the applicant remains in his/her property for the entire loan term, the deferred loan will be forgiven in full. If the applicant transfers title to the property during the loan term, the remaining balance shall be returned to the Township at the time of the transfer. At its discretion, the Township may transfer the loan amount to an eligible heir.

c. Disabled: (1) a physical or mental impairment which substantially limits one or more of a person's major life activities, (2) a record of having such an impairment, or (3) being regarded as having such an impairment, but such term does not include current, illegal use or addiction to a controlled substance as defined in Section 102 of the Controlled Substance Act (21 U.S.C. 802).

d. Dwelling Unit: A residential unit occupied and intended to be used as single-family or two-family living quarters as defined by the Township's zoning code. A property intended for use by more than two families is ineligible for assistance through the Housing Rehabilitation Program.

e. Household: All the persons who occupy a housing unit. The occupants may be a single-family, one person living alone, two or more families living together or any other group of related or unrelated persons who share living arrangements.

f. Housing Rehabilitation Standards: The CDBG Minimum Housing Standard requirements established by HUD and the Property Maintenance Code adopted by the Township shall be used to establish the minimum standards for rehabilitation.

g. Income: The gross earned and unearned income of all members of the household over the age of eighteen. This includes wages, unemployment compensation, supplemental employee income, welfare payments, social security payments, pensions, annuities, interest, dividends, alimony, workmen's compensation, financial aid, gambling or lottery winnings. The household gross income is based on the total amount received over the twelve-month period immediately preceding the date the rehabilitation application is received by the Township's Building & Planning Department.

h. Lead-Based Paint Hazards: Housing conditions that cause human exposure to unsafe levels of lead from paint including deteriorated lead-based paint; friction, impact or chewable painted surfaces; lead-contaminated dust; and lead-contaminated soil.

i. Lead Hazard Control: A means to minimize the risks presented by lead-based paint and lead-based paint hazards. Four methods of reduction are: paint stabilization, interim controls, standard treatments and abatement.

j. Lead Hazard Control Costs: The total cost of physical repairs and improvements for the lead reduction on the dwelling unit, including resident relocation and inspections.

k. Permanent Lien: The amount of the project (excluding costs associated with environmental testing and abatement) that exceed $40,000 shall be secured by a municipal lien. If the applicant transfers title to the property, the permanent lien balance shall be returned to the Township at the time of the transfer.

l. Rehabilitation: The act of improving and upgrading a property that is deficient in terms of compliance with the Township's housing rehabilitation standards and HUD's Housing Quality Standards in effect at the time of the rehabilitation work and any necessary lead hazard control work required to meet 24 CFR Part 35.

m. Rehabilitation Costs: The total cost of physical repairs and improvements for rehabilitation of the dwelling unit, including required inspections.

n. Remaining Balance: The amount of the lien reimbursed to the Township in the event a qualified recipient of rehabilitation assistance sells or transfers the title of the rehabilitated property. A deferred payment loan will be calculated as a per diem declining balance of the rehabilitation cost of the property improvements, from the date the original lien is recorded to the date of title transfer.

o. Risk Assessment: A comprehensive evaluation for lead-based paint hazards that includes paint testing, dust and soil sampling, and a visual evaluation. The risk assessment report identifies lead hazards and appropriate lead hazard control methods. A state-certified risk assessor must conduct the assessment.

p. Standard Metropolitan Statistical Area ("SMSA"): An area, defined by economic and geographic factors, used for the purpose of determining median family income levels. Income level determinations are revised annually by HUD. The Township is part of the Philadelphia Standard Metropolitan Statistical Area.

q. Substandard Unit: A dwelling unit that is deficient in terms of compliance with the Township's Housing Rehabilitation standards and HUD Housing Quality Standards.

Article 4. Individual Programs:

A. Owner-occupied single- and two-family dwellings (incomes up to 80% SMSA level)

This Program shall provide zero percent interest, deferred payment loans to rehabilitate homes of families who have gross annual household incomes up to 80% of the median family income and are owner-occupants of single- or two-family dwellings. The maximum amount available to qualifying households is <u>$50,000</u>. The Township's Grants Review Committee reserves the right to increase this amount up to <u>$75,000</u> for accessibility modifications for the disabled or life/safety repairs exceeding the maximum funding amount. Any funding exceeding <u>$75,000</u> must be approved by the Board of Commissioners.

A five-year declining balance lien will be placed on the property to secure any loan amount up to $40,000. The deferred payment loan is forgiven 20% per year over five years. Residential rehabilitation exceeding $40,000 will be secured by a permanent lien. If the recipient of the loan sells or transfers the property or the property ceases to be the principal residence of the recipient, the recipient shall reimburse the Township the remaining balance of the deferred payment loan and the amount of the permanent lien. If the property transfer is due to the death of the owner, the Township shall not require repayment of any liens, subject to compliance with all of the following:

1. Within six months of the date of death, the property is transferred to the name of the surviving spouse or intestate heir, and
2. The property shall be the principal residence of the surviving spouse or intestate heir, and
3. The income and assets of the surviving spouse or intestate heir must meet the income and asset limits listed in Article 6.

This Program shall provide environmental hazard control grants (including lead, asbestos, mold, radon) to homeowners to reduce the risks associated with lead-based paint and its hazards. There shall be no maximum amount assigned to this activity, as properties must meet HUD compliance standards detailed in CFR 24 Part 35 prior to completion of the project. The funds required to perform the environmental hazard control are not included in the spending limits listed above.

B. Emergency Program (incomes up to 80% SMSA level)

This Program shall provide rehabilitation grants or deferred payment loans to families who have household incomes up to 80% of the median family income and are owner-occupants of one- or two-family dwellings as defined by the zoning code. The maximum amount available to qualifying households is $35,000. The deferred payment loans are for emergency rehabilitation work as defined in Article 5.c.

All Residential Rehabilitation funds spent under this emergency program shall be included in the total Residential Rehabilitation costs and subject to the spending limits in Article 4, Section A above.

The property will be inspected as in Article 5.d.iii. The applicant shall participate in the individual Program listed in Article 1 to ensure the dwelling unit is not substandard after receiving financial assistance for emergency rehabilitation.

A five-year declining balance lien will be placed on the property to secure the loan amount up to $35,000. The deferred payment loan is forgiven 20% per year over five years. If the Board of Commissioners authorizes emergency residential rehabilitation work exceeding $35,000, the loan amount exceeding $35,000 will be secured by a permanent lien. If the recipient of the loan sells or transfers the property or the property ceases to be the principal residence of the recipient, the recipient shall reimburse the Township the remaining balance of the deferred payment loan and the amount of the permanent lien, subject to the exceptions of Section A above.

Article 5. Program Administration

a. An applicant's eligibility for assistance shall be determined based on data gathered from an application whose form and content is HUD approved for the Community Development Block Grant Program. The collection of income information and social security numbers and data shall be in compliance with the Privacy Act (5 U.S.C. 552a) and all other provisions of Federal, State and local law. All applicants shall be provided with a Privacy Act notice as part of the application.

b. Participation in this Program shall be voluntary. However, applicants receiving funding shall comply with all Township Program guidelines and State, Federal and Township regulations.

c. Applicants will be placed on an official dated waiting list in the order of when they requested assistance. Applicant must be the owner of record and occupy the property. A letter will be sent to the applicant along with other application materials when they are next in line to receive the assistance. If there is no response to the application after 14 days of mailing, a second and final letter will be sent notifying them that they have been removed from the waiting list.

d. An applicant may be processed out of turn only in the event of an emergency situation. The following criteria will be used to define an "emergency situation":

  - Lack of heat between the months of October and April.
  - Unsafe electrical conditions.
  - Any other condition that seriously affects the health and safety of the owner-occupant and household, including lead poisoning.
  - Accessibility modifications to allow egress and use of the dwelling by a disabled owner-occupant.

e. The Building & Planning Department shall inspect the entire property and process applications for rehabilitation assistance as follows:

   i. Determine the applicant's eligibility for rehabilitation assistance through property ownership research, completion of the confidential application and income statement, income, asset and deposit verifications and verification of other supportive information as may be necessary.

   ii. If the applicant is ineligible for rehabilitation assistance, provide written notification within fifteen days of the determination. Included in this letter will be the reason(s) for the ineligibility.

   iii. Interview and advise the prospective applicant on the general rehabilitation objectives, the Program guidelines and specific requirements including lead hazard control and relocation, the housing rehabilitation standards and the benefits of the financial assistance and lien information of the Housing Rehabilitation Program.

iv. If the applicant is eligible for rehabilitation assistance, inspect the entire property and prepare a preliminary work write-up and cost estimate of the rehabilitation work needed to comply with the rehabilitation standards.

v. A copy of the preliminary work write-up will be sent to the Risk Assessor and a lead inspection and risk assessment shall be ordered. A radon inspection will also be ordered. The Risk Assessor shall also prepare draft lead hazard control specifications for the property.

vi. After receipt of radon inspection report, lead inspection, risk assessment report and lead control specifications, the work write-up(s) and cost estimate shall be revised as necessary and finalized. The Building & Planning Department shall review the work specifications with the applicant and seek concurrence with the scope of work.

vii. Building & Planning Department staff shall assist the applicant in selecting qualified contractors to submit bids for the project.

viii. Building & Planning Department staff shall conduct a bid walk-through of the property with the owner-selected contractors. An addendum to the work write-up shall be issued to all selected contractors, if necessary.

e. Owner-Occupant and Township Responsibilities:

A. Owner-Occupant responsibilities

i. The owner-occupant shall submit an application to the Township as a voluntary request for financial rehabilitation assistance.

ii. The owner-occupant shall sign an agreement with the Township detailing the responsibilities of both parties throughout the rehabilitation process including but not limited to compliance with all applicable Township and HUD regulations, authorization for the Township's contractor to complete lead hazard control work and a termination clause for non-performance and/or non-compliance.

iii. The owner-occupant shall sign an agreement with the Township authorizing the placement of a municipal claim or lien on their property to secure the deferred payment loan for the term defined by the individual Program, and if applicable for the permanent lien. The deferred payment loan shall be repaid to Lower Merion Township, in the form of a settlement check made to the Treasurer of the Township of Lower Merion, upon sale or transfer of the property. If the property ceases to be the principal residence of the applicant the remaining balance from the date occupancy ceased shall be repaid in the form stated above. In the event that title to the property is transferred to an intestate heir of the property owner, and such person is determined by the Township to have an income level less than 80% MFI of the SMSA and no financial ability to repay the deferred payment loan and the permanent lien, then it may be converted to the new owner(s) under such terms and conditions as determined by the Township of Lower Merion.

iv. The owner-occupant shall sign an agreement with contractors authorizing the rehabilitation work and incorporating the rehabilitation Program requirements.

v. If property is located in a floodplain the owner is required to secure flood insurance on their property, with proof supplied to the Township of Lower Merion. If the property owner defaults on their flood insurance, the lien will be in default and immediate payment shall be requested by the Township. Rehabilitation work completed on the property shall also be subject to the federal environmental review requirements for work within a floodplain.

B. Township Responsibilities:

i. The Building & Planning Department shall assist the owner-occupant with preparing the bidding documents, advertising the work through competitive bidding, maintaining a record of the bidding process and reviewing and approving the contract for rehabilitation between the owner-occupant and the contractors.

ii. The Building & Planning Department shall assist the owner-occupant with successfully completing the procurement process. Rehabilitation contracts are awarded to the lowest responsible bidder, all experience being equal, using a staff cost estimate as a guide. However, an owner may choose an alternate contractor who has bid on the project. If the owner chooses an alternate contractor, they must pay the difference in price between the lowest responsible bidder and selected contractor prior to the start of construction.

iii. The Building & Planning Department shall assist the owner-occupant by issuing a Notice to Proceed order for the work, inspecting the work in progress, supervising rehabilitation and lead hazard control activities and authorizing all expenditures and payments to the contractor upon inspection of completed work for conformance to the bid specifications and contract.

iv. The Building & Planning Department shall assist the owner-occupant with relocation options/assistance for the rehabilitation period. (See Relocation Policy)

Article 6. Eligibility: To be eligible for the Housing Rehabilitation Program's financial assistance, the applicant must meet all of the following requirements:

a. Have equitable title or legal title to the dwelling unit located in Lower Merion Township. The dwelling unit must require rehabilitation in order to meet the terms of compliance with the current Housing Rehabilitation Standards adopted by the Township.

b. Have occupied the dwelling to be rehabilitated for at least one calendar year prior to filing an application for financial assistance through the Housing Rehabilitation Program.

c. Own no other property other than the dwelling to be rehabilitated.

d. Have assets of less than those noted below, excluding the value of the occupied dwelling to be rehabilitated.
   - Base asset limit $ 75,000
   - Residents over 62 years old $ 112,500
   - Permanently Disabled $ 168,000
   - Each additional resident (up to two) $ 15,000 (max $30,000)

Funds held in a retirement account shall be exempt from the asset limits if the resident is currently and regularly withdrawing income from such funds. The withdrawn funds shall be treated as part of the applicant's annual income.

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e. Household incomes up to 80% SMSA level. Qualification for a specific individual Program will be based on the comparison of the household income to the SMSA median family income in effect at the time the application is received.

f. Have no Federal, State, County or Municipal liens against the property. The Building & Planning Department may waive this requirement if the applicant has a payment plan arrangement with the Federal, State, County or other Municipal Governments. The Building & Planning Department may waive this requirement in the case of an emergency project where the applicant has outstanding sewer liens.

Article 7. Cost of Rehabilitation and Environmental Hazard Control:

a. Included Costs for Rehabilitation: Costs included in a grant, deferred payment loan or permanent lien shall be limited to (1) costs for correction of immediate housing rehabilitation standards deficiencies and other basic code deficiencies such as roofs, electrical wiring systems, plumbing, heating systems and certain other structural defects affecting the use and livability of the dwelling; (2) costs for placing the property in generally good and readily maintainable condition; (3) costs for accessibility modifications for the disabled; and (4) costs included for building and land-improvements for sewage and water replacement due to onsite systems that no longer meet the Department of Environmental Protection regulation Title 25, Chapters 71, 72, and 73. Expenditures under the CDBG program may include: the lateral line extension including any required ejection pumps (the private portion), owner's portion of the main connection (public portion), connection fees, removal and/or fill area of old onsite system and flood insurance for the time period the residential rehabilitation is being performed**.**

These costs will result in a deferred payment loan and/or a permanent lien being placed on the property. When the property transfers, the seller must pay back the lien at time of settlement. The Township will consider subordination of the lien due to a new mortgage or refinancing when requested, subject to compliance with Township's Subordination Policy.

If property is located in a floodplain the owner is required to secure flood insurance on their property, with proof supplied to the Township of Lower Merion. If the property owner defaults on their flood insurance, the lien will be in default and immediate payment shall be requested by the Township. The property shall also be subject to the federal environmental review requirements for work within a floodplain.

Excluded costs: A deferred payment loan shall not provide for costs for (1) new construction or substantial rehabilitation to expand the living space by increasing the dwelling structure size; (2) appliances other than replacement of existing dishwashers, and built-in microwaves, stoves and refrigerators; (3) landscaping; (4) corrections of defects in detached garages and other outbuildings; (5) professional inspection services and testing related to the creation of work write-ups and specifications; and (6) upgrades to fixtures or other rehabilitated elements such as linoleum to tile.

b. Included Costs for Environmental Hazard Control: Costs included in a grant shall be limited to (1) costs for environmental testing and risk assessment including lab testing fees; (2) correction of environmental hazards; (3) relocation costs, if necessary; and (4) a maximum of two clearance tests.

Article 8. Relocation: The Building & Planning Department <u>may</u> require owner-occupants and tenant households (in a two-family dwelling) to relocate during the construction process. Each property will be evaluated on a case-by-case basis to determine the length of relocation time if required and personal items to be removed. The scope of required lead hazard control work may also influence relocation requirements at the expense of the Township of Lower Merion. The Program may provide relocation assistance as follows:

a. Owner-occupants shall relocate with family or friends, whenever possible.

b. In the event that relocation services are necessary for owner-occupants, the Program shall provide relocation services that <u>may</u> include temporary housing, per diem meal costs, moving and storage expenses, transportation costs and laundry reimbursements.

c. Payment in lieu of relocation services. The Township may make cash payment based on per diem costs for reasonable accommodations researched by the Building & Planning Department.

d. All tenant households will be relocated pursuant to the requirements of the federal Uniform Relocation Act.

e. Exceptions to the relocation policy shall be granted only under the following circumstances:

   i. The house was constructed after 1978; or

   ii. The lead paint test/risk assessment reveals the property is free from lead paint hazards; or

   iii. Lead paint hazard reduction is limited to non-habitable, non-essential areas of the property and these areas can be fully contained during the rehabilitation process.

Article 9. Termination: Non-performance and/or non-compliance with the terms of the Township/Owner Housing Rehabilitation Program contract agreement may be grounds for termination from Program participation. This Township/Owner Contract details the responsibilities of both parties. In cases where responsibilities are not met, the following process may occur:

a. The Building & Planning Department will send a letter to the owner-occupant detailing the area(s) of non-compliance and the actions required correcting the non-compliance. The owner will have twenty days to become compliant with all Program requirements. The letter will be mailed to the owner-occupant by regular and certified mail.

b. If the owner-occupant corrects all deficiencies, the project will continue as detailed in Article 4.

c. If the owner-occupant has not corrected all deficiencies, the Building & Planning Department may terminate his/her participation in the Housing Rehabilitation Program. Any rehabilitation and/or lead hazard control funds expended on the property may be secured by a permanent lien on the property. The Township may also move to recapture these monies from the owner-occupant.

d. The owner-occupant shall have fourteen (14) days to appeal the termination decision of the Building & Planning Department to the Township Manager. The appeal must be in writing and state (1) the nature of the appeal; and (2) the specific remedy requested. The Township Manager shall render a written decision within fourteen (14) calendar days to the owner-occupant.

e. The owner-occupant shall have fourteen (14) days to appeal the decision of the Township Manager to the Board of Commissioners. The Board of Commissioners shall convene a meeting within sixty (60) calendar days to hear the appeal. The owner-occupant may be present at the meeting and shall be permitted legal counsel and witnesses to testify on their behalf. The Board of Commissioners shall issue a binding, written decision within fourteen (14) days of the close of the meeting.

Article 10. Limitations of the Housing Rehabilitation Program:

a. No money shall be awarded or given directly to the owner-occupant, except for relocation assistance. The Building & Planning Department shall operate a special working account for the purpose of paying contractors. A Notice to Proceed order is issued by the Township Building and Planning Department and required for the contractor to commence rehabilitation work.

b. In the event the amount of money needed to bring the dwelling unit to the housing rehabilitation standards exceeds the amount of the individual Program limits and the owner-occupant is unable to secure additional funds, a review committee, known as the Grants Review Committee ("GRC") may convene. The GRC consists of the Township Manager or Assistant Manager, the Director of Building and Planning, the Assistant Director of Community Development and Economic Development, and the Community Development Technician. This committee investigates the seriousness of the code deficiencies. The GRC may authorize up to an additional $25,000 towards the completion of the rehabilitation work. This additional funding raises an individual Program's rehabilitation-funding limit, but all other conditions, financial assistance and procedures of the Housing Rehabilitation Program remain as stated in this Resolution.

c. In the event the amount of money needed to bring the dwelling unit to the housing rehabilitation standards exceeds the amount of money authorized by the GRC, the Building & Planning Department may request a waiver of the maximum amount from the Board of Commissioners. It is in the sole discretion of the Board of Commissioners to exceed the rehabilitation limits set in this Resolution.

d. If an owner-occupant, who has received assistance previously moves to a new home within the Township, they would be eligible for assistance a second time if all the conditions in Article 6 were met. If a property that has received rehabilitation assistance previously were again the subject of possible rehabilitation with an application by a new owner-occupant, it would also be eligible for additional assistance if all the conditions in Article 6 were met.

e. A qualified owner-occupant who meets all the other eligibility criteria in Article 6 may receive assistance through the Housing Rehabilitation Program more than once. Applicants may re-apply for rehabilitation assistance six years after the completion of property rehabilitation conducted under the Housing Rehabilitation Program. <u>Applicants reapplying for funding on properties with permanent liens are limited to a maximum of $25,000, all of which will be secured in the form of an additional permanent lien.</u>

Article 11. General Conditions:

a. The owner-occupant shall comply with Title VI of the Civil Rights Act 1964 prohibiting discrimination upon the basis of race, color or national origin in the rehabilitation of the applicant's property or the receiving of financial assistance in connection with the owner-occupant's eligibility.

b. Contractors deemed debarred or ineligible for work as determined by the U.S. Department of Labor shall not be hired or awarded work under this Program.

c. Grants for lead abatement, deferred payment loans and permanent liens of the Housing Rehabilitation Program will only be used for the purpose of complying with minimum housing standards, correcting code deficiencies, weatherization, and accessibility modifications for the disabled and lead-based paint hazard control.

d. The Township reserves the right to refuse any assistance to an applicant if the general state of disrepair of a dwelling and the anticipated total cost of bringing the property to the housing rehabilitation standards materially exceeds the established individual Program limits as set forth in Article 4. If the Township does assist a property that will not meet minimum housing rehabilitation standards at the completion of the work, the Township will prioritize the work as follows:

    i. The Township shall correct all deficiencies to the habitable living space that threaten the health and safety of the owner-occupant and household members and major systems in danger of failing. This includes accessibility modifications for the disabled and minimum housing standards.

    ii. The Township may correct major systems that are aging and nearing the end of its useful life.

    iii. The Township may correct other code violations in the property.

e. Procurement of bidders, contract documents, bidding procedures and awarding of contracts shall be in a cost effective manner that is in compliance with the provisions of the Community Development Block Grant Program and applicable Federal, State and local laws.

f. No member of the Lower Merion Township Board of Commissioners or staff of Lower Merion Township who exercises any functions or responsibilities in connection with the Housing Rehabilitation Program shall have any direct or indirect interest in the proceeds of a grant for lead abatement, deferred payment loans, or permanent liens or in any contract executed by an owner-occupant for the performance of rehabilitation work.

g. This Resolution shall be effective as of   , 2026.

Approved by the Board of Commissioners this   day of   , 2026.

BOARD OF COMMISSIONERS OF THE
TOWNSHIP OF LOWER MERION

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Todd M. Sinai, President

ATTEST:

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Jody L. Kelley, Secretary

Township of Lower Merion
A FIRST CLASS TOWNSHIP

AGENDA ITEM INFORMATION

COMMITTEE: Grants & Community Development

ITEM: **RESOLUTION - MONTGOMERY COUNTY 2040 IMPLEMENTATION GRANT FOR THE CRICKET TERRACE IMPROVEMENTS**

Consider for recommendation to the Board of Commissioners adoption of a resolution authorizing the Township to submit a grant application to County's Montco 2040 Implementation Grant for improvements to Cricket Terrace in the amount of $250,000 with a minimum 20% match of the amount of the grant.

PUBLIC COMMENT

ATTACHMENT(S):
Resolution - Montco 2040 Cricket Terrace
Issue Briefing - Montco 2040 Cricket Terrace

TOWNSHIP OF LOWER MERION

RESOLUTION NO. ___________

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TOWNSHIP OF LOWER MERION AUTHORIZING THE APPLICATION TO MONTGOMERY COUNTY FOR A MONTCO 2040 IMPLEMENTATION GRANT TO CONSTRUCT IMPROVEMENTS TO CRICKET TERRACE

WHEREAS, Montgomery County has established the Montco 2040 Implementation Grant Program as a competitive funding program to assist municipalities in implementing the goals of the county comprehensive plan, Montco 2040: A Shared Vision; and

WHEREAS, Montgomery County is accepting applications for projects that advance specific goals under one of the county comprehensive plan's three themes: Connecting Communities, Sustainable Places and a Vibrant Economy; and

WHEREAS, Transportation & Mobility Improvements, Support Downtowns and Community Destinations, and Adaptation and Resiliency are focused categories in the Montco 2040 Implementation Grant Program Guidebook; and

WHEREAS, the Township wishes to obtain $250,000 from the Montco 2040 Implementation Grant Program to provide funding for the Cricket Terrace Improvement Project, which aims to enhance the walkability and streetscape between Rittenhouse Place and Cricket Avenue in downtown Ardmore as well as expand public parking Lot#5 and improve connectivity to the public parking garage on Cricket Avenue.

WHEREAS, the Township has budgeted the full cost of the project in its 2026-2031 Capital Improvement Plan and is able to commit the local match required; and

WHEREAS, the Township fully understands the application requirements, including the contracting process if awarded grant funds from the Montco 2040 Implementation Grant Program; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Township of Lower Merion hereby authorizes the Township Manager to submit an application to Montgomery County for a Montco 2040 Implementation Grant requesting $250,000 for the Cricket Terrace Improvement Project; and

BE IT FURTHER RESOLVED, that the Township agrees, if selected for the implementation grant, to:

1. Engage in proper contracting procedures including the competitive Request for Proposals; and

2. Sign grant agreement documents; and

3. Authorize the appropriation and expenditure of Township funds, in conjunction with those committed by the County, sufficient to providing a minimum 20% match to the amount of the Montco 2040 Implementation Grant; and

4. Submit reimbursement invoices and progress reports along with necessary supporting documentation on a quarterly basis; and

5. Take all necessary action to complete the project associated with the grant agreement within 36-months following the date of the funding agreement contract.

RESOLVED, this day of , 2026.

BOARD OF COMMISSIONERS OF THE
TOWNSHIP OF LOWER MERION

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Todd M. Sinai, President

ATTEST:

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Jody L. Kelley, Secretary

<u>TOWNSHIP OF LOWER MERION</u>
Grants & Community Development Committee

<u>Issue Briefing</u>

Topic: Resolution to Submit an Application to the Montgomery County 2040 Implementation Grant for the Cricket Terrace Improvements

Prepared By: Brandon Ford, Assistant Township Manager

Date: February 6, 2025

I. Action To Be Considered by the Board:

Adopt a resolution authorizing the Township to submit a grant application to County's Montco 2040 Implementation Grant for improvements to Cricket Terrace in the amount of $250,000 with a minimum 20% match of the amount of the grant.

II. Why This Issue Requires Board Consideration:

A resolution authorizing the grant submission and committing the necessary matching local funds is required for the grant application.

III. Current Policy or Practice (If Applicable): N/A

IV. Other Relevant Background Information:

The Cricket Terrace Improvement Project focuses on enhancing the walkability and streetscape of the roadway between Rittenhouse Place and Cricket Avenue in downtown Ardmore. The project would also expand public parking Lot#5 and improve connectivity to the public parking garage on Cricket Avenue.

Montco 2040: A Shared Vision is the Montgomery County Comprehensive Plan adopted in 2015. The Montco 2040 Implementation Grant is a program whereby the County awards up to 80% financing to Montgomery County municipalities for projects that further the plan's three major interrelated themes: Connected Communities, Sustainable Places and Vibrant Economy. In previous years the Township has received Montco 2040 grant funds in recent years for the Penn Wynne Library Solar Project.

The Township received notification that applications are being accepted for the 2025 round of the Montgomery County's 2040 Implementation Grant Program. This grant program allows each municipality to submit up to two applications per year but will only select one for funding. The Cricket Terrace Improvement Project is the first of two applications that Township staff would like to submit to the program. The deadline for applications is March 2, 2026 with awards expected to be announced in summer 2026.

V. Impact On Township Finance:

The Cricket Terrace Improvement Project is included in the Township's 2026-2031 Capital Improvement Plan under Project #4072 (Schauffele Plaza). There is $250,000 budgeted towards design and $2.45 million budgeted towards construction in 2026-2027. The Township's application would request $250,000 or approximately 9% of the estimated project cost, the maximum request under the Montco 2040 program. The remaining $2.2 million, or 91%, of the estimated cost would be provided by the Township as local match. It should be noted that the Township has a pending grant application to the State requesting an additional $1 million for this project that would, if awarded, offset the Township's local match.

VI. Staff Recommendation:

Staff recommends adoption of a resolution authorizing application to the Montco 2040 Implementation Grant Program for the Cricket Terrace Improvement Project.

Township of Lower Merion
A FIRST CLASS TOWNSHIP

AGENDA ITEM INFORMATION

COMMITTEE: Grants & Community Development

ITEM: **RESOLUTION - MONTGOMERY COUNTY 2040 IMPLEMENTATION GRANT FOR SIDEWALKS ON COUNTY LINE ROAD**

Consider for recommendation to the Board of Commissioners adoption of a resolution authorizing the Township to submit a grant application to Montgomery County's Montco 2040 Implementation Grant for sidewalks on County Line Road in the amount of $250,000 with a minimum 20% match of the amount of the grant.

PUBLIC COMMENT

ATTACHMENT(S):
Issue Briefing - Montco 2040 County Line Sidewalk
Issue Briefing - Montco 2040 County Line Sidewalk

TOWNSHIP OF LOWER MERION
Grants & Community Development Committee

Issue Briefing

Topic:	Resolution to Submit an Application to the Montgomery County 2040 Implementation Grant for Sidewalks on County Line Road
Prepared By:	Brandon Ford, Assistant Township Manager
Date:	February 6, 2025

I. Action To Be Considered by the Board:

Adopt a resolution authorizing the Township to submit a grant application to County's Montco 2040 Implementation Grant for sidewalks on County Line Road in the amount of $250,000 with a minimum 20% match of the amount of the grant.

II. Why This Issue Requires Board Consideration:

A resolution authorizing the grant submission and committing the necessary matching local funds is required for the grant application.

III. Current Policy or Practice (If Applicable): N/A

IV. Other Relevant Background Information:

Since the opening of Stoneleigh and recent acquisition of the Oakwell property by Natural Lands, there has been an interest in enhancing pedestrian and cyclist connectivity in this area. Since there is no sidewalk along this segment of County Line Road, pedestrians and cyclists heading to Stoneleigh frequently walk on the side of the major thoroughfare. The County Line Road Sidewalk Project would install sidewalk on the east side of the road from Spring Mill Road to Clairmont Road, improving pedestrian and cyclist safety as well as enhancing non-motorized connectivity with Stoneleigh, Villanova University, the SEPTA regional rail, and nearby residential neighborhoods.

Montco 2040: A Shared Vision is the Montgomery County Comprehensive Plan adopted in 2015. The Montco 2040 Implementation Grant is a program whereby the County awards up to 80% financing to Montgomery County municipalities for projects that further the plan's three major interrelated themes: Connected Communities, Sustainable Places and Vibrant Economy. In previous years the Township has received Montco 2040 grant funds in recent years for the Penn Wynne Library Solar Project.

The Township received notification that applications are being accepted for the 2025 round of the Montgomery County's 2040 Implementation Grant Program. This grant program allows each municipality to submit up to two applications per year but will only select one for funding. The County Line Road Sidewalk Project is the second of two applications that Township staff would like to submit to the program. The deadline for applications is March 2, 2026 with awards expected to be announced in summer 2026.

V. Impact On Township Finance:

The County Line Road Sidewalk Project is included in the Township's 2026-2031 Capital Improvement Plan under Project #4236 (Traffic Network Evaluation) identified as VIL-1. The project is estimated to cost $1.06 million, which is fully budgeted across 2027-2029. The Township's application would request $250,000 or approximately 23% of the estimated project cost, the maximum request allowed under the Montco 2040 program. The remaining $815,000 million, or 77%, of the estimated cost would be provided by the Township as local match. It should be noted that the Township was recently awarded $400,000 by the Commonwealth's Multimodal Grant Program for this project, reducing the Township's out-of-pocket match to $415,000.

VI. Staff Recommendation:

Staff recommends adopting a resolution authorizing application to the Montco 2040 Implementation Grant Program for the County Line Road Sidewalk Project.

TOWNSHIP OF LOWER MERION

RESOLUTION NO. ___________

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TOWNSHIP OF LOWER MERION AUTHORIZING THE APPLICATION TO MONTGOMERY COUNTY FOR A MONTCO 2040 IMPLEMENTATION GRANT TO CONSTRUCT SIDEWALKS ON COUNTY LINE ROAD

WHEREAS, Montgomery County has established the Montco 2040 Implementation Grant Program as a competitive funding program to assist municipalities in implementing the goals of the county comprehensive plan, Montco 2040: A Shared Vision; and

WHEREAS, Montgomery County is accepting applications for projects that advance specific goals under one of the county comprehensive plan's three themes: Connecting Communities, Sustainable Places and a Vibrant Economy; and

WHEREAS, Transportation & Mobility Improvements, Support Downtowns and Community Destinations, and Adaptation and Resiliency are focused categories in the Montco 2040 Implementation Grant Program Guidebook; and

WHEREAS, the Township wishes to obtain $250,000 from the Montco 2040 Implementation Grant Program to provide funding for the County Line Road Sidewalk Project, which aims to install sidewalks on the east side of the County Line Road from Spring Mill Road to Clairmont Road, improving pedestrian and cyclist safety as well as enhancing non-motorized connectivity with Stoneleigh, Villanova University, the SEPTA regional rail, and nearby residential neighborhoods.

WHEREAS, the Township was recently awarded $400,000 from the Pennsylvania Department of Community and Economic Development's Multimodal Grant Program for this project, has budgeted the remaining cost of the project in its 2026-2031 Capital Improvement Plan, and is able to commit the local match required; and

WHEREAS, the Township fully understands the application requirements, including the contracting process if awarded grant funds from the Montco 2040 Implementation Grant Program; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of the Township of Lower Merion hereby authorizes the Township Manager to submit an application to Montgomery County for a Montco 2040 Implementation Grant requesting $250,000 for the County Line Road Sidewalk Project; and

BE IT FURTHER RESOLVED, that the Township agrees, if selected for the implementation grant, to:

1. Engage in proper contracting procedures including the competitive Request for Proposals; and

2. Sign grant agreement documents; and

3. Authorize the appropriation and expenditure of Township funds, in conjunction with those committed by the County, sufficient to providing a minimum 20% match to the amount of the Montco 2040 Implementation Grant; and

4. Submit reimbursement invoices and progress reports along with necessary supporting documentation on a quarterly basis; and

5. Take all necessary action to complete the project associated with the grant agreement within 36-months following the date of the funding agreement contract.

RESOLVED, this day of , 2026

BOARD OF COMMISSIONERS OF THE
TOWNSHIP OF LOWER MERION

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Todd M. Sinai, President

ATTEST:

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Jody L. Kelley, Secretary