

Clackamas County
Safety Net Program
For
System Development Charges,
Collector Sewer Assessments,
Public Sewer Connections,
and
Repair or Replacement of
On Site Wastewater Treatment Systems



April 5, 2005

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Executive Summary

The Safety Net Program (Program) objectives are to assure that no person(s) should suffer financial hardship or the loss of their home because of the inability to pay to repair or replace failing wastewater treatment system or connect to a public sanitary sewer system. Qualifying property owners will be issued loans to pay for:

- an assessment for the construction of a collector sewer;
- a system development charge;
- the cost of connecting to a public sewer; or
- the cost of repairing an on-site wastewater treatment system.

The Safety Net Program is designed to incorporate and complement existing statutory requirements. This Program offers several methods and varying levels of assistance, depending on annual household income. Features of the Program include:

- Qualifying homeowners receive loans to pay system development charges, collection sewer charges, construct a building sewer connection to a public sewer, or repair a failing on-site wastewater treatment system.
- Qualifying homeowners not eligible for the State payment deferral program because of age may still be eligible to defer payments through the Clackamas County safety net program.
- Qualifying homeowners are eligible to defer payments on loans.

Eligibility criteria for the Program are based on the U. S. Department of Health and Human Services Poverty Guidelines.

Program loans accrue interest at the rate of 6% annually, based on a 365-day year.

All loans are recorded as liens against the property in the deed records for Clackamas County.

Program funds are limited and subject to Board of County Commissioners budget approval and authority for on-site wastewater treatment code compliance.

Introduction

To initiate the Program, it will be necessary to identify a source of funding. The initial Program funding source will be the line item expense for the On-Site Wastewater Treatment program administered by Clackamas County through Water Environment Services and Clackamas County Service District No. 1. Another available source of funds is the State Revolving Loan Fund made available through EPA grants.

The initial fund pool is limited to \$50,000. This amount was selected based on the average cost to install a sand filter system and an estimated qualifying application frequency of three per year. Once established, the fund pool may be adjusted to meet the experience rate, or the pool can be capped at the limit of available funds. When available funds are exhausted, no new loans will be made until the fund pool is replenished from repayments of previous loans or the amount of the fund pool is increased.

Installment payment schedules will be patterned after the provisions of ORS 223.210 *Right of property owners to apply for installment payment of assessment*. The most common method is a 20-year semi-annual payment plan established for sanitary sewer assessments. Other installment payment schedules of not less than 10 years or more than 30 years may be considered.

A short explanation of Program features and availability will be included in all correspondence to property owners when they are notified of an assessment, a notice requiring a connection to a public sewer, or a notice requiring a repair of an on-site wastewater treatment system.

Administrative Procedures

1. General Procedures

All applicants will be served at the offices of Water Environment Services, 150 Beavercreek Rd., Suite 430, Oregon City OR 97045. The Water Environment Services staff will work with applicants to direct them through the process of applying for the Safety Net Program (Program). The staff will have knowledge of other social service/assistance programs in the community and will refer applicants to any other program beneficial to the applicant.

Water Environment Services staff will administer the Program, including: interviews, verification of application information submitted, final loan processing and annual reapplications/reverifications.

2. Notification Procedure

As part of any requirement to pay an assessment or construct building sewer connections or to repair an on-site wastewater treatment system, property owners will be notified of financing options, including the Program.

As part of all public information procedures associated with sewer design including letters and meetings, the Program will be highlighted and presented as one of the financing options.

Program information will be provided concurrent with any notice of intent to assess, notice of assessment, notice to connect to a public sewer, or notice to repair an on-site wastewater treatment system.

Program information will include the telephone number to call to arrange an appointment to apply and will include a post card with the owner's name and address and a box to check to request more information or to apply for the Program.

Program information and application forms will be posted on the Water Environment Services web site for Clackamas County.

3. Initial Phone Contact

Potential applicants will contact Water Environment Services to determine if they may be eligible for Safety Net Program funds. Preliminary calculations may be done and potential applicants may be told that if the circumstances do not change they may be eligible. Applicants may then make an appointment to present their verification information and complete the application with the WES interviewer.

4. Appointment Notice

A notice will be sent to the applicant confirming the time, date, and location of the appointment and listing the items (See page A-2) the applicant should bring with him/her to the application interview in order to expeditiously complete the application.

5. Application Interview

The applicant will present the verification items at the interview. The interviewer will complete the application based on information provided by the applicant.

Note: In order that applications be completed fairly and honestly, the questions on the application must be clear to the interviewers. If problems with the questions on the application arise or clarification is needed, instructions will be added or refined as experience is gained with the process or as issues come up and are resolved. Exceptions to items on the application should not be made.

A. Estimated Installation/Repair Costs

The applicant will obtain good faith written estimates from at least three contractors licensed to perform sewer services by the State of Oregon Department of Environmental Quality. The applicant will notify the contractors supplying estimates that the work will be done under the provisions of the Clackamas County Safety Net Program. The applicant will submit all three cost estimates. The applicant will then select a contractor to perform the work. *Applicant will present this information at the time of the application interview.*

Applicants will not sign any contractor estimate until Water Environment Services has reviewed and approved the estimate and the Safety Net Loan and given the applicant and contractor a Notice to Proceed.

Permit fees, collection sewer charges and system development charges, as necessary, will be used to determine the total cost estimate.

Homeowners may be asked to confirm their application data if a significant amount of time has passed or if there are indications that financial conditions have changed.

B. Verification and Property Tax Record

The interviewer will check each box for acceptable items of verification that have been presented. Items of verification will be copied. The original verification items will be returned to the applicant and the copies attached to the application.

If further verification is necessary, the interviewer will advise the applicant which items need to be verified and will obtain the applicant's signature on appropriately completed forms.

C. Sworn Statement

The applicant will be read the sworn statement and required to sign the application. The interviewer will sign as witness.

A copy of the application will be given to the applicant and the original will be retained in Water Environment Services' Administration office.

6. Application

Applications will be filed by last name with a cross-reference list to the tax lot number and deed reference number. The interviewer will attach a copy of the property tax record to each application. The interviewer will recommend approval or denial of the application and forward to the Evaluation Committee.

7. Application Evaluation

An Evaluation Committee comprised of three people will be appointed by the Director of Water Environment Services. The committee will review applications for homeowners based on the qualification criteria established. The committee will take into account the interviewer's recommendation. However, the committee may determine that no loan or deferral is warranted or that a greater or lesser loan amount is justified. In the case of multiple applications submitted at the same time, loan approvals will be prioritized based on need.

A. Qualification Criteria

1. The property must be subject to an assessment, an order to connect to a public sewer, or an order to repair a failing on-site wastewater treatment system, and
2. The applicant must possess equity in the property equal to or greater than the amount of the loan, and
3. Household assets, excluding the primary residence, its contents and one car, of \$20,000 or less, and have total housing expenses, including sewer costs, of 30% or more of gross income, and
4. The applicant must have been denied a loan from a commercial institution such as a bank or credit union, and
5. Total annual household income less than the allowable amount, or
6. Total annual income less unreimbursable medical expenses less than the allowable amount.

8. Notification of Loan Approval

Approved applicants will be sent a letter indicating the maximum amount for which they are eligible and the interest rate that will be charged.

9. Notification of Ineligibility

If the applicant's application does not withstand the scrutiny of verification, the applicant will be sent a letter indicating the incorrect or disqualifying information.

10. Appeal

Any applicant who does not agree with the determination of the Evaluation Committee will have the right to appeal to the Director of Water Environment Services within 14 days of the date of the Notice of Denial. The appeal shall be in writing and shall set forth the events and circumstances leading to the appeal, the nature of the impact of the ruling on the appellant, together with any other reasons for the appeal. The Director shall make a written decision based on the Administrative Procedures and the information presented by Evaluation Committee and the appellant within 30 days of written notification of appeal.

11. Loan Closing

Once all required verification is received, the applicant will be notified and asked to come into the Water Environment Services office for closing. The interviewer will complete and sign the form. The applicant will sign the form to verify that they will receive assistance and that it is her/his responsibility to repay the loan. A payment plan will be established at that time.

12. Notice to Proceed with Construction

Water Environment Services will notify the applicant and the contractor jointly that the applicant has been approved for the Safety Net Program. The contractor will be given a Notice to Proceed on behalf of the applicant.

The applicant enter into an agreement with the selected contractor and will then coordinate prosecution and progress of all construction activities, including contractor scheduling and review of work performed.

Water Environment Services will issue the permits and inspect the construction as it would any other permitted activity. A notice of satisfactory completion must be issued prior to payment being made to the contractor.

13. Record Lien

Water Environment Services will prepare the documents necessary to record the Safety Net loan as a lien against the property. The final amount of the lien will be the actual final cost for all expenses related to the sewer connection or repair. The lien must be recorded to assure the Safety Net Program is reimbursed when the property is sold.

14. Follow-up on Annual Reverification

After the first year of the program, a letter is sent annually to qualified persons. The letter requires the applicant to complete an abbreviated questionnaire to determine if there are changes in income, assets or household expenses that would make the applicant ineligible to continue deferring installment payments.

15. Payment Processing

Water Environment Services will process any payments received on safety net loans.

16. Satisfaction of Lien

When a safety net loan is paid in full a satisfaction of lien will be filed with the Clackamas County Clerk.

17. Amendment of Procedures

These procedures may be amended from time to time as Water Environment Services gains experience with the Safety Net Program. If procedures are amended, such amendments will be made in writing, will be consistent with the stated criteria of the Safety Net Program goals, and will provide for consistent and equitable treatment of applicants in similar situations.

SECTION 1 - DEFINITIONS

Annual Payments – Annual payments are the total of all installment payments due in the calendar year for which application has been made.

Annual collection sewer charge payments will be the total of all installment payments due in the calendar year for which application has been made, and based on forty (40) equal semiannual principal payments together with accrued interest on the unpaid balance at the rate of the most recent assessments levied.

Annual building sewer loan payments will be the total of all installment payments due in the calendar year for which application has been made, and based on sixty (60) equal monthly payments on the unpaid balance at the interest rate of the most recent assessments.

Applicant – The person or persons who make a claim for assistance from this safety net program, including the spouse or legal partner of a qualified applicant.

Collection Sewer Charge – an amount which has been assigned to a property, in lieu of an assessment, which is equal to the fair share of the cost of constructing an 8" diameter collector sewer to serve the property.

Department – Water Environment Services, a department of Clackamas County.

Failing System – means any system, which discharges untreated, or partially treated sewage or septic tank effluent onto the ground surface or into public waters.

Federal Poverty Guidelines – Those figures issued each year in the Federal Register by the Department of Health and Human Services (HHS).

Homestead – as defined in ORS 311.666, means the owner occupied principal dwelling, either real or personal property, owned by the taxpayer and the tax lot upon which it is located. If the homestead is located in a multiunit building, the homestead is the portion of the building actually used as the principal dwelling and its percentage of the value of the common elements and of the value of the tax lot upon which it is built. The percentage is the value of the unit consisting of the homestead compared to the total value of the building exclusive of the common elements, if any.

Family Member – A person related to the property owner, or his or her spouse, by blood, marriage or adoption, or a legal ward, who lives in the property owner's household.

Income – as defined by ORS 310.630, the aggregate income of the applicant and the spouse of the applicant who reside in the household, that was received during the calendar year for which the claim is filed. Income includes payments received by the applicant or the spouse of the applicant under the federal Social Security Act for the benefit of a minor child or minor children who are members of the household.

Need – The difference between the appropriate amount of the Federal poverty guidelines and the applicant's allowable annual income.

Repair – means installation of all portions of a system necessary to eliminate a public health hazard or pollution of public waters created by a failing system.

SECTION 2 – PROGRAM GOALS

The Board of County Commissioners, acting as the governing body of Clackamas County Service District No. 1, has determined that no one should suffer undue hardship because of the need to connect to and pay for the construction of public sanitary sewers or the need to repair a failing on-site wastewater treatment system.

Payment of assessments for the cost of constructing public sanitary sewers is mandatory as levied by the Board of County Commissioners pursuant to the provisions of ORS Chapter 451. In some cases, no assessment has been levied for the construction of a collector sewer, but a collection sewer charge is due upon connection. Oregon Administrative Rules require connection to a serviceable public sanitary sewer when an on-site wastewater treatment system fails.

In accordance with ORS 454.635 and 454.640, owners of property with failing on-site wastewater treatment systems who cannot connect to a public sanitary sewer system are compelled to cease and desist operation; or to make such improvements or corrections as are necessary to remove the public health hazard or threat.

To meet that objective the Board has adopted the following goals:

The Safety Net should:

1. Prevent the loss of shelter of any property owner;
2. Prevent loss or reduction in the community's stock of low cost housing;
3. Prevent extreme financial hardship.

SECTION 3 – PROGRAM DESCRIPTION

This program is based on the Deferral of Special Assessments for Local Government section of ORS 311.702 to 311.735. Under the provisions of the State of Oregon deferral program, homesteaders over 62 years of age may apply to the State of Oregon for deferral of special assessments.

This program extends Safety Net benefits to all qualified residential property owners. This program expands on the safety net provisions of deferring payment on assessments. There are no age requirements. Eligibility is based on household income as well as household expenses. This program offers two levels of assistance:

1. Loans for the cost of connecting to a public sewer or repairing an on-site wastewater treatment system.
2. Deferral of installment payments on loans for the cost of connecting to a public sewer or repairing an on-site wastewater treatment system.

In addition to this direct assistance, the Program may offer referrals to other programs and advice to assist property owners to help them acquire financial resources.

SECTION 4 – ELIGIBILITY

4.1 Who May Qualify

Owners of single-family residential property may qualify for the safety net program.

4.2 State Program for Deferral of Assessment Payments.

Property owners who qualify for deferral of assessment payments under the provisions of ORS 311.702 to 311.735 are not eligible for deferral of assessments under this program.

4.3 Requirements for Loans to Repair On-Site Wastewater Treatment Systems or to Connect to a Public Sewer.

To qualify for a loan for the cost of repairing an on-site wastewater treatment system or connect to a public sewer, the applicant and the homestead with respect to which the claim is filed must meet the following requirements at the time of loan application:

1. Needs Test

- The property must be subject to an assessment, an order to connect to a public sewer, or an order to repair a failing on-site wastewater treatment system, and
- The applicant must have been denied a loan from a commercial institution such as a bank or credit union, and

2. Residency Test

- The property with respect to which the application is filed must be the homestead of the person filing the application, except for an applicant required to be absent from the homestead by reason of health;

3. Equity Test

- The applicant, by himself or herself or together with his or her spouse or legal partner, must own the fee simple estate or be purchasing the fee simple estate under a recorded instrument of sale;
- The applicant must demonstrate equity in the property equal to or greater than the amount of the loan as evidenced by a preliminary title report, a statement of lienholder's interests, an MAI appraisal, or a review by County Counsel, and

4. Income Test

- Total annual household income less than 200% of the Federal poverty guidelines for the current year as shown in Appendix 'H', or
- Total annual income less unreimbursable medical expenses less than 200% of the Federal Poverty guidelines for the current year as shown in Appendix 'H'.

5. Asset Test

- Household assets, excluding the primary residence, its contents and one car, of \$20,000 or less, and have total housing expenses, including sewer costs, of 30% or more of gross income.

4.4 Requirements for Deferral of Installment Payments on Safety Net Loans.

To qualify for a deferral of payments on a loan for the cost of repairing an on-site wastewater treatment system or connection to a public sewer, the applicant and the homestead with respect to which the claim is filed must meet the following requirements at the time of loan application:

- All of the requirements of Section 4.3, except that the total annual household income must be less than 150% of the Federal poverty guidelines for the current year as shown in Appendix 'H'.

4.5 Federal Poverty Guidelines

On July 1st of each year, the qualifying limits shall be set using the most recently published poverty guidelines in the Federal Register by the U.S. Department of Health and Human Services under authority of 42 U.S.C. 9902(2), and shall remain in force until the next July 1st.

4.6 Eligibility Period Based on Application Date

A property owner may apply for the deferral of installment payments on assessments and collection sewer charges at any time. Qualified applicants will retain eligibility for the twelve (12) month period following the application.

4.7. Eligibility When Property is Owned Jointly

If one owner of jointly owned property makes application and otherwise meets the eligibility criteria, then all owners are qualified.

4.8. Eligibility for Deferral When Applicant No Longer Qualifies

A property owner who defers installment payments, then loses eligibility, will not be required to pay deferred installments until there is a change of ownership.

4.9 Maintaining Eligibility

Property owners must submit a new application before each calendar year for which eligibility is requested. See Appendix 'G'.

SECTION 5 - PROGRAM ADMINISTRATION

5.1 Applications

All program applicants are required to complete an application to determine eligibility. Applicants applying for a loan and deferral of the loan payments must complete the loan and installment payment deferral applications.

5.2 Determination of eligibility

Water Environment Services, a Department of Clackamas County, will review all applications and determine eligibility

5.3 Annual interest on deferred payments.

The unpaid principle balance of all deferred payments shall accrue interest at the rate of 6% per annum.

5.4 Annual Interest on loans

The unpaid principle balance of all loans shall accrue interest at the rate of 6% per annum.

5.5 Liens against benefited property

All assessments and loans will be recorded in the street lien docket for Clackamas County as liens against the benefited property.

CLACKAMAS COUNTY SAFETY NET PROGRAM

CONFIRMATION OF APPOINTMENT

(Date)

(Name) _____

(Address) _____

Dear Mr./Ms.: _____

This is to confirm your appointment with _____
at _____ AM/PM on _____, 20__, for the purpose of completing your application
for a Safety Net Program loan. The appointment will be conducted at our office at
Clackamas County's Sunnybrook Service Center:

Water Environment Services
150 Beaver Creek Rd., Suite 430
Oregon City, Oregon 97045
Telephone: 503-742-4567

**PLEASE BRING THE FOLLOWING ITEMS LISTED IN LINES 1-7 TO YOUR
SCHEDULED APPOINTMENT:**

- ___ 1. A notice of assessment, connection to a public sewer or repair of an on-site wastewater treatment system.
- ___ 2. Signed copies of your most recent Federal and State Income Tax Returns (including all schedules) for all household members.
- ___ 3. Most recent W2's (wages and salary) and 1099's (misc. income received) for all household members.
- ___ 4. Current Homeowners Insurance Coverage Policy.
- ___ 5. Current Property Tax Statements for all real property owned.
- ___ 6. Bank Statements for all checking, savings, money markets, credit unions and any other accounts for all household members. Please include any quarterly statements for IRA's, Annuities, etc.

- ___ 7. Current Paycheck stub showing year-to-date amounts for all household members*.
- ___ 8. Contractor estimate (see Administrative Procedures Section 5, Estimated Installation/Repair Costs)

*Note: If you are retired, disabled, or unemployed, please bring proof of your current income received from all sources.

IN ADDITION TO ITEMS 1-7 ABOVE, PLEASE BRING ANY OF THE FOLLOWING DOCUMENTATION THAT APPLIES TO YOUR HOUSEHOLD TO YOUR APPOINTMENT:

- ___ a) Social Security Annual Statement(s) (Form SSA-1099).
- ___ b) Pension Statement(s)
- ___ c) Proof of Medical Insurance Premiums Paid
- ___ d) Proof of non-reimbursed Medical expenses paid, including ongoing or recurring prescription medicines.
- ___ e) Proof of Child Care payments
- ___ f) Proof of Child Support and/or Spousal Support received.
- ___ g) Proof of Child Support and/or Spousal Support paid.
- ___ h) Statement/Proof of Unemployment received.

Bringing the required items to your appointment will reduce delays in processing your Safety Net Loan Application.

If you have any questions regarding any of the documentation required, or need assistance completing the enclosed loan application, please feel free to call Water Environment Services at 503-742-4567.

Water Environment Services
 A Department of Clackamas County
 150 Beaver Creek Rd., Suite 430
 Oregon City, Oregon 97045
 Phone # (503) 742-4567, Fax # (503) 742-4565
 Tax ID No. 93-6002286

SAFETY NET LOAN APPLICATION

Application Date: ____ / ____ / ____ Initial Application ____ or Renewal Application ____

PART I: GENERAL INFORMATION

| 1ST HOMEOWNER INFORMATION | | | | | |
|---|------------|------|-----------|----------------|----------------|
| Last Name | First Name | MI | SS Number | Date of Birth | Age |
| Address | | City | Zip Code | Home Telephone | Marital Status |
| Name and Address of Employer | | | | | Work Telephone |
| 2ND HOMEOWNER INFORMATION | | | | | |
| Last Name | First Name | MI | SS Number | Date of Birth | Age |
| Address | | City | Zip Code | Home Telephone | Marital Status |
| Name and Address of Employer | | | | | Work Telephone |

| LIST ALL OTHERS LIVING IN HOME | | | | |
|---------------------------------------|-----|------------------------------|---------------------------------------|--|
| Full Name | Age | Relationship to Homeowner(s) | Specify if: Employed/Student/Other | Gross Monthly Income Received (or Rent Paid if Boarder) |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

PLEASE ANSWER THE FOLLOWING QUESTIONS
(additional space provided on last page if needed)

1. Since the last tax year, has there been any change in your household size? Has anyone moved in or out?

Yes ____ **No** ____ If you answered Yes, please explain:

2. Since the last tax year, has any member become disabled, retired, stopped receiving child/spousal support, or any other change that significantly affects your household income?

Yes ____ **No** ____ If you answered Yes, please explain:

1. Since the last tax year, has any household member had a change in their employment? Has anyone lost a job, started a new job, changed jobs, increased or decreased their work hours or pay?

Yes ____ **No** ____ If you answered Yes, please explain:

PART II: ALLOWABLE EXPENSES

Instructions

- 1) List the total amount paid for the last tax year for each allowable expense listed below.
- 2) List only those payments which are recurring or ongoing (long term).
- 3) Provide documentation for any expenses you have listed.

| Allowable Expenses For the Last Tax Year | Total Amount Paid |
|---|--------------------------|
| a) Medical and/or Dental Insurance Premiums paid directly or payroll deducted | \$ |
| b) Medicare Payments deducted from Social Security payments received or paid directly | \$ |
| c) Non-Reimbursed recurring or ongoing Medical & Dental Services | \$ |
| d) Non-Reimbursed recurring or ongoing Prescription Medicines | \$ |
| e) Child Support Payments/Alimony Payments | \$ |
| f) Child Care Payments | \$ |
| g) Sewer Related Expenses (to be completed by County) | \$ |
| h) TOTAL ALLOWABLE EXPENSES (total of lines a through g) | \$ |

PART III: HOUSEHOLD INCOME

For each household member, list the gross income received (before taxes) for the last year.

| Source(s) of Income | 1 st Homeowner | 2 nd Homeowner | All Others |
|--|---------------------------|---------------------------|------------|
| Wages/Salary (amount from W-2's) | | | |
| Sales Commissions/Tips/Bonuses | | | |
| Interest and Dividend Income | | | |
| Business Income | | | |
| Rental or Boarder Income | | | |
| Social Security Benefits | | | |
| Pension or Retirement Income | | | |
| Unemployment Compensation | | | |
| Disability Compensation | | | |
| General Assistance (Welfare, Food Stamps, etc.) | | | |
| Child Support and/or Alimony Received | | | |
| Other Income – specify _____ | | | |
| TOTAL INCOME (total of lines i through u) | \$ | \$ | \$ |
| w) TOTAL HOUSEHOLD INCOME (total of line v 1 st + 2 nd + All Other) | | | \$ _____ |
| x) TOTAL ADJUSTED INCOME (line w minus line h) | | | \$ _____ |

PART IV: ASSETS AND LIABILITIES

Instructions

- 1) List the total assets and liabilities for all household members as of the date of this application.
- 2) Provide documentation for all bank accounts, stocks, bonds, IRA's, money markets etc.
- 3) Provide documentation for any outstanding loans on vehicles and real estate mortgages.

| SECTION 1 | | | | | |
|--|------|-------|--|---|--|
| <p>Other than the family's primary vehicle, list all vehicles owned for each household member. Please include all cars, trucks, travel trailers, recreational vehicles, motorcycles, etc. (additional space is provided on last page if needed).</p> | | | | | |
| YEAR | MAKE | MODEL | (a) Market or Blue Book Value | (b) Outstanding Loans on Vehicle | (c) Net Value (column a minus b) |
| | | | | | |
| | | | | | |
| <p>1) TOTAL VALUE OF VEHICLES (total of column c) less \$20,000 \$ _____</p> | | | | | |

| SECTION 2 | | | |
|---|---------------------------|---------------------------|------------------------|
| <p>List the current value for each type of account listed for all household members.</p> | | | |
| Type of Account | 1 st Homeowner | 2 nd Homeowner | All Other |
| 2) Cash on Hand | | | |
| 3) Checking Account(s) | | | |
| 4) Savings Account(s) | | | |
| 5) Credit Union Account(s) | | | |
| 6) IRA's and/or Annuities | | | |
| 7) Money Markets and/or CD's | | | |
| 8) Principal portion of Stocks and/or Bonds | | | |
| 9) Other – specify _____ | | | |
| 10) Total Cash Assets (total of lines 1 thru 8) | | | |
| <p>11) TOTAL HOUSEHOLD CASH ASSETS (total of each column Total Cash Assets)</p> | | | <p>\$ _____</p> |

INFORMATION FOR GOVERNMENT MONITORING PURPOSES

The information concerning the minority group categories and marital status is required for statistical purposes so the County may determine the degree to which it's programs are being utilized by minority families and to prepare reports required by law for the state and federal government. For "OTHERS IN HOUSEHOLD", please indicate by number the ethnicity

APPLICANT (check one only):

- (1) ____ CAUCASIAN (not of Hispanic origin)
Hispanic origin)
- (2) ____ BLACK (not of Hispanic origin)
origin)
- (3) ____ HISPANIC
- (4) ____ AMERICAN INDIAN or
ALASKA NATIVE
- (5) ____ ASIAN or PACIFIC ISLANDERS
- (6) ____ OTHER _____

OTHERS IN HOUSEHOLD

- (1) ____ CAUCASIAN (not of
Hispanic origin)
- (2) ____ BLACK (not of Hispanic
origin)
- (3) ____ HISPANIC
- (4) ____ AMERICAN INIDIAN or
ALASKA NATIVE
- (6) ____ OTHER _____

PENALTY WARNING

Oregon law makes it a Class A misdemeanor (punishable by up to one year in prison or a fine of up to \$1,000) for a person to issue a false statement with intent to defraud (see ORS 165.100). It is also a Class A misdemeanor for a person to obtain the execution of documents by deception with the intent to defraud or to injure another or to acquire a substantial benefit (ORS 165.102).

I understand the questions on this application and the penalty for withholding or giving wrong information or for breaking any of the rules listed in the Penalty Warning. My answers are true, correct, and complete to the best of my knowledge.

SIGNATURE OF 1ST HOMEOWNER

DATE

SIGNATURE OF 2ND HOMEOWNER

DATE

WITNESSED BY
(Required if either Homeowner has signed with an X)

DATE

APPLICATION RECEIVED BY

DATE

Water Environment Services
A Department of Clackamas County
150 Beaver Creek Rd., Suite 430
Oregon City, Oregon 97045
Phone # (503) 742-4567, Fax # (503) 742-4565
Tax ID No. 93-6002286

APPLICATION TO DEFER INSTALLMENT LOAN PAYMENTS

NAME: _____ **DATE:** _____

ADDRESS: _____ **TAX ID#** _____

TELEPHONE: (Home) _____ (Work) _____

INSTRUCTIONS:

Please call the Water Environment Services at 503-742-4567 to schedule an appointment once you have completed the enclosed application and you have gathered the required documentation as listed below.

PLEASE BRING THE FOLLOWING ITEMS LISTED IN LINES 1-7 TO YOUR SCHEDULED APPOINTMENT:

- ___ 1. A completed, and signed, Financing Loan Application
- ___ 2. Signed copies of your most recent Federal and State Income Tax Returns (including all schedules) for all household members.
- ___ 3. Most recent W2's (wages and salary) and 1099's (misc. income received) for all household members.
- ___ 4. Current Homeowners Insurance Coverage Policy.
- ___ 5. Current Property Tax Statements for all real property owned.
- ___ 6. Bank Statements for all checking, savings, money markets, credit unions and any other accounts for all household members. Please include any quarterly statements for IRA's, Annuities, etc.
- ___ 7. Current Paycheck stub showing year-to-date amounts for all household members*.

*Note: If you are retired, disabled, or unemployed, please bring in proof of your current income received from all sources.

IN ADDITION TO ITEMS 1-7 ABOVE, PLEASE BRING ANY OF THE FOLLOWING DOCUMENTATION THAT APPLIES TO YOUR HOUSEHOLD TO YOUR APPOINTMENT:

- a) Social Security Annual Statement(s) (Form SSA-1099).
- b) Pension Statement(s)
- c) Proof of Medical Insurance Premiums Paid
- d) Proof of non-reimbursed Medical expenses paid, including ongoing or recurring prescription medicines.
- e) Proof of Child Care payments
- f) Proof of Child Support and/or Spousal Support received.
- g) Proof of Child Support and/or Spousal Support paid.
- h) Statement/Proof of Unemployment received.

Bringing the required items to your appointment will reduce delays in processing your Safety Net Loan Application.

If you have any questions regarding any of the documentation required, or need assistance completing the enclosed loan application, please feel free to call Water Environment Services at 503-742-4567.

AFTER RECORDING RETURN TO:

Water Environment Services

A Department of Clackamas County
150 Beaver Creek Rd, Suite 430
Oregon City, Oregon 97045
Phone # (503) 742-4567
Fax # (503) 742-4565
Tax ID No. 93-6002286

**DEED OF TRUST
SAFETY NET LOAN**

Name of Applicant/Borrower _____ Date _____

Address _____

City _____ State _____ Zip _____

Tax Lot Number _____

Number of persons in household _____

Household Income _____

Unreimbursed medical expenses _____

Assets in excess of \$20,000 _____

Estimated amount of sewer connection or repair _____

Amount of eligibility for Safety Net funding _____

Estimated amount of safety net loan _____

Name of Trustee _____

Name of Beneficiary Water Environment Services, a Department of Clackamas County, Oregon

Signed:

Interviewer: _____

Supervisor: _____

**EXHIBIT B
TO
SAFETY NET PROGRAM AGREEMENT**

TERMS AND CONDITIONS OF THE LOAN

The Loan made pursuant to the Safety Net Program is subject to the following additional terms and conditions:

1. Loan Agreement. I understand that I have been granted a loan (“Loan”) from the Clackamas County Safety Net Program. This Loan will be in the amount of \$ _____ with an annual interest rate on the unpaid balance of 6% (simple interest that assumes a 365 day year), [Payments will be deferred]. I will pay the amount outstanding on the Loan when the Loan is payable under paragraph 3 (Loan is Payable) below. I further understand that a lien (Deed of Trust) against the Property (“described below”), in the amount of the loan will be recorded by the Clackamas County Clerk in the deed of records of Clackamas County, Oregon.

2. Promises. The borrower hereby agrees and promises:
 - a. to pay all real property taxes and assessments assessed against the benefited property (the “Property”) when due.
 - b. To keep the Property insured against fire and other casualty, and to name Clackamas County Service District No. 1 (“District”) as a loss payee under the insurance policy.
 - c. To repair and maintain the Property in as good a condition as it now is, including repair and maintenance of the on-site wastewater treatment system.
 - d. To immediately tell District if my household income increases to more than the Safety Net limit.
 - e. If my Safety Net Loan payments have been deferred, and my household income increases to more than the Safety Net limit and there has not been an Event of Default (defined below), I agree to pay semiannual installments amounting to one fortieth of the original principal balance plus six (6) month accrued interest on the unpaid balance on a schedule that will be provided by District.

3. Loan is Due and Payable. I agree that the Loan is due and payable in full in the event any of the following happen:
 - a. If I sell the Property, or if I transfer title to the Property, including transfers by gift or by leases exceeding one-year.
 - b. If the Property is more than 25% destroyed by fire or other casualty.

- c. If the Property is more than 25% condemned by any public authority.
 - d. If I fail to perform any of my obligations under paragraph 1 (Promises).
 - e. If a bankruptcy proceeding is filed (voluntarily or involuntarily) that involves me or the Property.
 - f. If a lien (voluntary or involuntary) is filed against the Property.
 - g. If I abandon the Property, which is defined as leaving the home on the Property unoccupied for more than 15 consecutive days.
 - h. If I die.
4. Events of Default. I will be in default under this Loan if I fail to make any payment of principal and/or interest when it is due and payable under Paragraph 2 above.
5. Remedies Upon Default. If I am in default, District may, at its sole option, without notice to me, which notice is hereby expressly waived, do any one or more of the following:
- a. Declare any or all indebtedness secured by this Loan to be due and payable immediately.
 - b. Enter into the Property, in person, by agent or by court- appointed receiver; take any and all steps that may be desirable in District's judgment to preserve and enhance the value, marketability or rentability of the Property; complete any unfinished development; manage and operate the Property; and apply any rents, additional rents, royalties, income or profits collected against the indebtedness secured by this Loan without in any way curing or waiving any default by me;
 - c. Bring a court action to foreclose this Loan or to enforce its provisions or any of the indebtedness or obligations secured by this Loan;
 - d. Cause any or all of the Property to be sold under the power of sale granted hereby pursuant to Oregon Revised Statutes Section 86.735 and/or any other provision of applicable law in any manner permitted by applicable law; and
 - e. Exercise any other right or remedy available under law or in equity; and
 - f. Require me to pay semiannual installments amount to one fortieth (1/40) of the original principle balance plus six (6) month accrued interest on the unpaid balance.

Water Environment Services, A Department of Clackamas County
SAFETY NET PROGRAM
NOTIFICATION OF LOAN APPROVAL

Date

Name

Address

City, State, Zip

Dear (Safety Net Loan Applicant):

We are pleased to notify you that your request for Safety Net assistance has been granted.

A sewer safety net loan in an amount not to exceed \$_____ with an annual interest rate of _____ percent (simple interest that assumes a 365 day year) has been approved. These funds will be paid directly on your behalf for the fees and charges related to a connection to a public sewer or a repair of an on-site wastewater treatment system.

When the final loan amount is determined, a lien in the total amount paid on your behalf will be recorded in the street lien docket of the Clackamas County Clerk.

If you have qualified for deferral of installment payments and your income level rises above the allowable limit, you will be billed for regular semiannual installment payments. If your income subsequently falls below the allowable limit, installment payment billing will be suspended.

If you sell your property or you no longer own it, the loan must be paid in full. If you have any questions, please call _____ at 503-742-4567.

Sincerely,

WATER ENVIRONMENT SERVICES

Water Environment Services, A Department of Clackamas County
SAFETY NET PROGRAM
NOTICE OF LOAN DENIAL

Date

Name

Address

City, State, Zip

Dear (Safety Net Loan Applicant):

We regret to inform you that, after careful review, your request for a safety net loan has been denied for the following reason(s).

- _____ Your annual income exceeds the allowable limit.
- _____ Your annual income including allowable expenses exceeds the allowable limit.
- _____ Your total assets exceed the allowable limit.
- _____ You do not meet the residency requirements.
- _____ Your equity in the property does not meet the program requirements.

You should contact your Program Manager at 503-742-4567 if you have any questions or need additional information.

If you believe this denial to be in error, you may appeal to the Director of Water Environment Services within 14 days of receipt of this letter. Per Section 10 of the Safety Net Program Administrative Procedures, the appeal must be in writing and describe the events and circumstances leading to the appeal. The Director will provide a written decision based on the Administrative Procedures and information provided by the Evaluation Committee and the appellant within 30 days of written notification of appeal.

Sincerely,

WATER ENVIRONMENT SERVICES

Water Environment Services, A Department of Clackamas County

SAFETY NET PROGRAM

VERIFICATION OF CONTINUED ELIGIBILITY TO DEFER PAYMENTS

Date

Name

Address, City, State, Zip

Dear Mr./Ms. _____:

We have you listed as a recipient of a Safety Net loan for your (on-site wastewater treatment system or sanitary sewer assessment). Our records show the following to be the status of your loan:

Date of loan _____

Original amount of loan _____

Interest accrued to date _____

Less payments made _____

Balance owed _____

Payments on this loan are deferred until the property sells or otherwise changes hands. In order to continue your payment deferral status, you are required to complete the attached brief questionnaire. Please complete the form and return to the above address no later than (date). If you have any questions or need assistance in completing the questionnaire, please contact (Name) at 503-742-4567.

If you wish to make voluntary payments on the loan, please send payments to:

Water Environment Services
150 Beavercreek Rd., Suite 430
Oregon City, Oregon 97045

Sincerely,

WATER ENVIRONMENT SERVICES

Water Environment Services, A Department of Clackamas County
150 Beavercreek Rd., Suite 430
Oregon City, Oregon 97045
Phone # (503) 742-4567, Fax # (503) 742-4565
Tax ID No. 93-6002286

**SAFETY NET PROGRAM LOAN – ANNUAL REVERIFICATION QUESTIONNAIRE
PAYMENT DEFERRAL STATUS**

Name: _____ **Date:** _____

Social Security# _____

Telephone: (Home) _____ (Work) _____

Since (date of application or last questionnaire completed) have there been changes in:

1. Household Income (include yourself, spouse, other income earner in the household): Yes No

If you checked "yes", please explain:

2. Assets (include those owned by yourself, spouse, other household members): Yes No

If you checked "yes", please explain:

3. Number of dependents living in the household: Yes No

If you checked "yes", please explain:

4. Household expenses: Yes No

If you checked "yes", please explain:

PENALTY WARNING

Oregon law makes it a Class A misdemeanor (punishable by up to one year in prison or a fine of up to \$1,000) for a person to issue a false statement with intent to defraud (see ORS 165.100). It is also a Class A misdemeanor for a person to obtain the execution of documents by deception with the intent to defraud or to injure another or to acquire a substantial benefit (ORS 165.102).

I/We understand the questions on this application and the penalty for withholding or giving wrong information or for breaking any of the rules listed in the Penalty Warning. My/Our answers are true, correct, and complete to the best of my/our knowledge.

SIGNATURE OF 1ST HOMEOWNER DATE

SIGNATURE OF 2ND HOMEOWNER DATE

PLEASE SIGN AND RETURN THIS QUESTIONNAIRE TO:

WATER ENVIRONMENT SERVICES, 150 Beaver creek Rd., Suite 430, Oregon City,
OR 97045

FEDERAL POVERTY GUIDELINES

The **poverty guidelines** are issued each year in the Federal Register by the Department of Health and Human Services (HHS). The guidelines are a simplification of the poverty thresholds and are used for administrative purposes--for instance, determining eligibility for certain federal programs.

Programs using the guidelines (or percentage multiples of the guidelines--for instance, 130 percent of the guidelines) in determining eligibility include: Head Start, the Food Stamp Program, the National School Lunch Program, and the Low-Income Home Energy Assistance Program. In general, public assistance programs (Aid to Families with Dependent Children and Supplemental Security Income) DO NOT use the poverty guidelines in determining eligibility.

The poverty guidelines (unlike the poverty thresholds) are designated by the year in which they are issued. The guidelines issued in February 1995 are designated as the 1995 poverty guidelines. However, the 1995 HHS poverty guidelines only reflect price changes through calendar year 1994; accordingly, they are approximately equal to the Census Bureau poverty thresholds for calendar year 1994 (which will be issued in final form in September or October 1995).

The poverty guidelines are sometimes loosely referred to as the "federal poverty level" (FPL), but that phrase is ambiguous and should be avoided, especially in situations (e.g., legislative or administrative) where precision is important.

| The 2009 Poverty Guidelines for the 48 Contiguous States and the District of Columbia | |
|--|--------------------------|
| Persons in family | Poverty guideline |
| 1 | \$10,830 |
| 2 | 14,570 |
| 3 | 18,310 |
| 4 | 22,050 |
| 5 | 25,790 |
| 6 | 29,530 |
| 7 | 33,270 |
| 8 | 37,010 |

For families with more than 8 persons, add \$3,740 for each additional person