

***ELK RIVER HRA***

***OWNER-OCCUPIED HOUSING  
REHABILITATION PROGRAM***

***POLICIES AND PROCEDURES***

***2014***

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# **Elk River HRA**

## **Owner-Occupied Housing Rehabilitation Program**

### **1. PROGRAM OBJECTIVES**

The Housing and Redevelopment Authority in and for the City of Elk River, Minnesota (hereinafter referred to as “the HRA”) will provide financial assistance for the rehabilitation of residential properties. The policies and procedures for distribution and eligibility are incorporated in this document.

### **2. EQUAL OPPORTUNITY/FAIR HOUSING/AFFIRMATIVE ACTION**

The HRA shall not deny assistance based upon race, color, creed, religion, national origin, sex, marital status, reliance on public assistance, age, disability, or familial status. It is the policy of the HRA to provide equal employment opportunity for all persons regardless of race, color, religion, national origin, marital status, political affiliation, sexual orientation or gender identity, status with regard to public assistance, disability, sex, or age.

The HRA responds affirmatively in its employment practices. Affirmative action applies to all aspects of employment practices including, but not limited to: recruiting, hiring, placement, promotion, demotion, transfer, training, compensation, benefits, layoff, recall, and termination. The HRA seeks to do business with entities that encourage equal employment opportunity.

**Fair Housing/Affirmative Action:** It is the policy of the HRA to work affirmatively to ensure that all persons regardless of race, creed, national origin, sex, marital status, age, handicap or reliance on public assistance shall be treated equally and fairly for purposes of this Housing Rehabilitation Program. Program promotion conducted by CMHP and the HRA shall be inclusive and will exercise care to avoid promotion methods that may exclude eligible applicants. All applicants will be provided with printed information on Fair Housing with their application packet.

The HRA will not tolerate discriminatory practices within its jurisdiction. The following practices have been declared to be discriminatory and unlawful under the Fair Housing Act:

- Refusal to sell, rent or to negotiate for the sale or rental of any property based on race, creed, color, sex, religion, national origin, marital status, familial status, handicap, or in regard to public assistance.
- Discrimination in terms, conditions, privileges and in services and facilities.
- Engage in any conduct which makes dwellings unavailable or denies dwellings to persons.

- Make, print, publish or cause to make, print, or publish public discriminatory advertisements.
- To represent that a dwelling unit is not for sale or rent when in fact it is.
- To engage in blockbusting.
- To deny access to membership or participation in, or to discriminate against any person in his or her access to membership or participation in, any multiple-listing service, real estate broker's association, or other service organization or facility relating to the business of selling or renting a dwelling or in the terms or conditions or membership or participation.

### **3. PROGRAM ADMINISTRATION**

**General/Field Administrator:** The HRA has contracted with Central Minnesota Housing Partnership, Inc. (hereinafter referred to as "CMHP") for all housing rehabilitation field administration services. CMHP is responsible for program delivery to include: marketing, application processing and approval, inspections and suitability of housing rehabilitation, scope of work preparation, bid packets, loan document origination, contract awards, interim inspections, change orders, final inspections, recommendation of payment to contractors and project close-outs. CMHP will provide the HRA with regular financial and progress reports.

### **4. PROGRAM MARKETING**

CMHP, on behalf of the HRA, will conduct marketing and outreach as needed. Applicants may be contacted for the program in the following ways:

- Conduct a community meeting to inform residents of the program availability and application process, upon startup and annually when funds become available.
- Issue monthly news releases to local newspapers with information about the program and community meetings.
- Direct mailing of program information to homeowners in the community
- Create marketing flyers and post them in prominent areas in the community

### **5. APPLICATION PROCESS**

Applicants will be served on a first come, first served basis with those on the letter of interest list being notified first of funding availability. Applications will be logged by date of receipt of the application and not by request of an application packet. Applications will be processed in the order that they are received. Applications will not be considered complete until all required documentation is collected. CMHP will move forward with projects in the order that applications are completed and approved. CMHP holds the right to close an application and move to the next application in line if applicant is non-responsive to requests for application documentation. If an applicant is not responsive to requests for information, CMHP will send a letter stating such, along with a deadline to receive the information. If the requested information is not received by the deadline, the application will be closed.

**Misrepresentation:** Any material misrepresentation on the part of an applicant revealed through the application process or otherwise, may result in a determination of ineligibility. The applicant shall be notified in writing of such determination by CMHP, and shall be given the opportunity to request an informal review upon the matter.

**Evidence of Fraud:** Any administering party participating in the program shall refer evidence of fraud, misrepresentation, collusion or other misconduct on the part of the applicant or contractors in connection with the operation of the program to the State of Minnesota Attorney General for investigation and legal action.

**Approval/Denial letter:** If the applicant or home does not meet the eligibility requirements, CMHP will send a denial letter will be sent to the applicant. Any applicant receiving a denial letter has the right to appeal through a set appeals process (see Section 10).

Applicants whose applications have been initially approved will be sent an initial approval of funding letter. This letter will state the applicant's eligibility for the program and provide information on next steps. The approval letter will not state or guarantee a specific amount of funding. This will be determined through the construction bidding process. Receipt of an initial approval also does not guarantee that the maximum amount of funding will be available.

## 6. ELIGIBILITY REQUIREMENTS/PROPERTY CONDITIONS

**Property eligibility:** requirements listed below will be verified through the application approval process and initial inspection of the property:

- Homes must be located within the Target Area (see **Exhibit A**)
- Homes must be the principal place of residence of applicants. By definition, this means you must live in your home a majority of the year (Over six months)
- Homes must be classified as homestead
- Homes must be a permanent structure on a permanent foundation (no mobile or manufactured homes)
- Homes located within a 100-year flood plain are not eligible for rehabilitation

Homes with the following conditions will be a priority of the program, assuming applicant and home meet all eligibility requirements:

- The home needs wiring updated because the existing wiring does not comply with the applicable laws and regulations.
- The home has health and safety hazards such as lead based paint, asbestos, etc.
- The home does not meet HUD's Housing Quality Standards
- The home does not meet city code
- The home fails to provide suitable shelter in some other obvious manner as determined by CMHP

**Suitability for Rehabilitation:** CMHP must make a determination that a specific home is a suitable candidate for rehabilitation in order to receive program funding. The determination will

be based on structural viability, after rehabilitation market value, historical significance, cost of rehabilitation and housing replacement cost.

**Nuisance Standards:** Homeowners must demonstrate compliance with the City of Elk River's public nuisance ordinances. Properties improved using program funding must maintain these standards throughout the life of the program loan or risk repayment, as determined by the HRA.

**Housing Replacement Cost:** When a home is determined to be unsuitable for rehabilitation due to economic factors, other factors must be considered before denial of assistance to the household. These factors include:

- Lack of other housing alternatives
- Cost of relocation
- Expense of housing alternatives
- Abnormal low market values due to depressed market

## 7. FINANCING TERMS & AMOUNTS

**Loan rates:** Loan rates escalate depending on amount of loan. 5 year loan will be set 2% below prime rate, 10 year loan will be set 1% below prime rate, and 15 year loan will be set at prime rate. All prime rates will be calculated on the date of bid opening.

- \$5,000 to \$10,000 must be 5 year loan
- \$10,001 to \$20,000 must be 5 or 10 year loan
- \$20,001 to \$25,000 can be 5, 10 or 15 year loan

**Owners match:** Projects can be above \$25,000 but owners are required to cover remaining cost.

## 8. ELIGIBLE/INELIGIBLE REHABILITATION ITEMS

Loans are only allowed to address certain rehabilitation items. Rehabilitation items will be discussed with applicants during the initial property inspection. Eligible rehabilitation items include:

- Removal of health, safety and/or other hazards to bring the structure into compliance with the property rehabilitation standards used by CMHP. For example: electrical outlet replacement, smoke/CO detectors, lead based paint remediation, etc. *NOTE: these are required if applicable to the project.*
- Improvement/replacement of roofing, siding, plumbing, water supply, septic systems or wiring may be eligible for repair
- Improvement of the structure's energy efficiency. For example: increasing insulation, installing new windows and doors
- Modify or rehabilitate the housing unit to make it accessible for a disabled member of the household. Accessibility Improvements may include: structural, exterior, bathroom,

kitchen and other improvements necessary to enable a handicapped person to function independently in the residential setting.

- Landscaping
- Garages/Outbuildings
- Fences (new or repair)
- Water softeners
- Decks/Patios (new)
- Additions to structures and finishing of basements
- Finishing basements
- Other rehabilitation items found suitable by CMHP rehabilitation staff

Loans may not be used to address any of the following (except for necessary replacement in connection with an eligible rehab item):

- Freestanding or built-in kitchen appliances unless needed to meet HQS standards
- Fireplaces or woodstoves (unless a health/safety issue)
- Window/door coverings (curtains, blinds, etc.)
- Air Conditioning (unless needed for medical purposes)
- Recreational items (swimming pools, tennis courts, saunas)
- Garage door opener (unless handicap accessible improvement)
- Driveways, sidewalks (unless health or safety issues)
- 200 amp service unless needed (then justify)
- Work begun or completed before the date of the Notice to Proceed order
- Improvements not consistent with established standards
- The refinancing of any existing mortgage or debt

*Note:* Above listed items may be part of a total project scope of work, but any costs with the items are required to be covered by owners match funds.

## **9. CONSTRUCTION PROJECT STEPS**

After approval of a homeowner's application, an initial inspection will be scheduled. CMHP staff will meet with homeowners and perform a visual Housing Quality Standards inspection and discuss the homeowner's wishes. After the initial inspection a lead based paint risk assessment will be requested. After the risk assessment is completed, CMHP will create a scope of work based on the initial inspection and the lead assessment report. Once the homeowner has approved the scope of work the project is ready to go out for bid.

All contractors participating in the program must have a Contractors Application Form on file at CMHP. The application must contain proof of insurance coverage and copy of their MN Contractors License. Contractors will be responsible for securing insurance of the amounts specified on the application form.

**Scope of work determination:** CMHP will originate a rehabilitation scope of work from information collected from the initial home inspection. Homeowners will participate in the

creation of the scope of work and will sign an owner approval form once they are satisfied with the scope of work. A final scope of work should be completed and approved by the owner no more than one month after the initial inspection. The final draft scope of work will be provided to contractors through the bidding process.

**Bid Solicitation:** A homeowner may request the services of a specific contractor to bid on its project. CMHP will provide homeowners with a list of local participating contractors. It is the responsibility of the homeowner to select 2-4 contractors from the list to whom CMHP will send project bid packets. In order for a contractor who is not on the list to be awarded a bid, the contractor must furnish a Contractors Application Form and the required contractor license and insurance documentation.

**Bidding:** Contractors will submit bids based on the bid specifications and approved scope of work prepared by CMHP. Participating contractors will be allowed to bid on any and all rehabilitation projects. However, CMHP will closely monitor the number of jobs that contractors receive to ensure that work is carried out in a timely manner. CMHP will also take into account homeowner's satisfaction of workmanship and will have the authority to remove contractors from the participating contractor list.

Bid openings are typically scheduled 3 weeks from the date of mailing. Contractors will mail bids to CMHP and they will be opened at the scheduled time and date by CMHP staff. Bid results will then be forwarded to the homeowners for review.

**Bid Awards:** It is the homeowner's responsibility to select a contractor a contractor to complete the work, based on bid amounts and comfortableness with contractors. The Contract shall be awarded to the owner's selection unless one of the following circumstances occurs:

- The contractor has failed to follow the procedures outlined in the instructions to bidders
- The contractor failed to bid according to the specifications and CMHP determines it is impossible to compare the contractor's bid with the other contractors' bids

If the lowest bid is not selected, CMHP will review to make sure the bid selected by the homeowner is responsible and reasonable and if CMHP determines that the bid is not responsible and reasonable, the homeowner cannot enter into a contract with that contractor/bidder. If only one bid is received, the bid will be compared to a cost estimate provided by CMHP to ensure reasonableness.

**Contractor Notification:** CMHP will provide an award letter to the selected contractor and unsuccessful bidder letters to those contractors not selected by the homeowner.

**Contractor Contract:** A rehabilitation contract will be executed between the homeowner and the contractor. The contract will include the scope of work, contract amount, and outline the terms for completion of the rehabilitation and will include the following:

- General conditions
- Timeframe for completion

- Warranties
- Special conditions
- Amount of contract
- Change order procedures
- Payment terms
- Termination procedures

**Loan documents:** CMHP will forward the Repayment Agreement to homeowners. Homeowners will execute the repayment agreement in the presence of a Notary Public, and return the executed document to CMHP, along with any required owners match funds. All documents must be executed and returned to CMHP before a project can start. The Repayment Agreement will be recorded with the Sherburne County.

**Notice to Proceed:** After receipt of the executed Repayment Agreement, receipt of owners match funds, and confirmation of construction contract execution, the project can start. Upon contractor request, CMHP will issue a Notice to Proceed to the contractor and provide a copy to the homeowner. The notice will allow the contractor ninety (90) days from the date of the Notice to Proceed to complete the specified work. Ninety (90) days will be the allotted amount of time except under the following conditions:

- The work is weather dependent and weather conditions have not allowed for the completion of the work
- The Notice to Proceed is issued too late in the building season to allow weather dependent work to be completed on time
- The selected contractor is too heavily committed to perform the work within the allotted time and informs the homeowner and CMHP of the situation. A work schedule will be established that is acceptable to the homeowner, CMHP, and the contractor
- Unforeseen difficulties develop with the approved work and force a delay

**Failure to Start/Complete Project:** Upon receipt of the Notice to Proceed, a contractor will have 90 calendar days in which to complete the contracted work. Failure to begin work within the first 60 days will be grounds to terminate the contract unless unforeseen weather issues affect the start date.

The 90-day time period shall **not** be exceeded except through the issuance of a change order and by approval of the homeowner. In the absence of a change order, a contractor who violates the time period shall be penalized 10% of the unpaid balance for each week that the contractor is in violation.

**Payment Procedures:** All contractors will agree to the payment schedule established by CMHP and the HRA. Typically draws will be scheduled to provide for one draw for materials and a second draw upon completion. Draw requests approved by CMHP must be submitted to the HRA at least one week before the first Monday of a month to be paid in such month. Approved payments will be made by the HRA directly to the contractor and will be deemed advances of the Loan to the Homeowner. Steps and conditions for contractor payment include:

- No pre-payments are allowable for any reason. Payment requests for materials will be allowed only if contractor provides receipt for payment
- Draw inspections will be scheduled by CMHP and will include the contractor and homeowner
- Progress payments will only be allowed for work that is completed
- Payments will be made only after the work is completed according to the specifications in the scope of work, and is approved by the owner and CMHP. In order for the contractor to be paid, a draw request form must be signed by the homeowner
- Ten percent (10%) will be withheld from each partial payment. Final payment for all work completed, including any withheld amounts, may be made after all work by a contractor is completed, the final inspection has been conducted and CMHP, homeowner and contractor have signed off on the work

Payments will be made only upon presentation of the following documents:

- Billing statement/invoice submitted to CMHP by contractor
- Homeowner signed draw form
- Signed lien waiver
- Sworn Construction Statement (final draw only)
- Completion Certificate (final draw only)

**Change Orders:** Change orders to the contract require the signature of the homeowner, the contractor and CMHP. Change orders will specify what the change is and the increase/deduction in the contract amount. Costs may be the responsibility of the homeowner and, if so, these funds must be placed in the appropriate escrow account. Funds may not be eligible for change order items if change order work is completed before approval of CMHP staff. Change orders will be allowed only for the following reasons.

- To rectify hidden deficiencies discovered once work has started
- To change a specification due to unforeseen difficulties arising after work has started
- To address a deficiency that was inadvertently dropped from the project during scope of work origination
- To approve changes in the contract time period

**Owner Participation:** Homeowners are expected to participate in their project by communicating with contractors when they have questions about work items, scheduling or any other concerns that may arise. It is expected that homeowners and contractors will communicate any issues or problems that arise to CMHP staff. Homeowners are not allowed to complete work, or perform “sweat equity”. Only licensed contractors will be allowed to complete needed work. NOTE: if a homeowner is a licensed contractor with a current license and insurance coverage, they will be allowed to complete work on their home, and only materials will be covered by the program.

**Termination of Contract:** A contractor’s contract may be terminated by the homeowner due to the following circumstances:

- Poor work performance on the job site and the demonstrated inability to rectify poor workmanship
- Contractor is causing undue damages to the property and showing an inability or unwillingness to correct the damages. The cost of repairing damages will be deducted from any money owed the contractor for work already completed
- Where collusion or fraud has been determined to exist on the part of the contractor
- Lack of sufficient insurance coverage
- Inability of the contractor to perform the work within the allotted time
- Irreconcilable and irresolvable differences between the contractor and the owner

The cost of repairing poor workmanship and the higher costs of awarding the bid to another bidding contractor shall be deducted from any amount owed to the initial contractor for work completed. In all cases, the contractor shall be given the opportunity to rectify the problem before contract cancellation procedures are instituted. CMHP shall adhere to the following procedures when negotiating a workmanship problem:

- A meeting will be scheduled at the job site with the contractor and homeowner to attempt to come to a consensus about the problem and solution
- If problem persists, CMHP shall contact the contractor by certified mail notifying the contractor that the workmanship is still poor and specifying areas that need to be addressed to satisfy the contract. The letter will give the contractor fifteen (15) days to make the required repairs
- Contractors who are removed from a contract shall be removed from the participating contractor's list and shall be prohibited from bidding on projects.

**Project Close-Out:** At the time of project completion, the following steps will be taken to close out the project:

- A final draw/ inspection will be scheduled to confirm that all work has been done according the contract and to execute final draw form, final lien waiver and completion certificate
- Draw requests will be submitted by CMHP for final payment
- Lead based paint clearance inspection is ordered and completed (if applicable)
- Close-out letter will be sent to homeowners and will include: copies of all recorded loan documents, completion certificate and contractor documents

## **10. DENIAL/COMPLAINT/APPEALS PROCEDURES**

**Applicant Denial Procedure:** If a household's application is denied for any reason, a letter of denial will be sent to the household within 10 working days. The denial letter will clearly outline the reason for denial and inform the applicant that an appeals procedure is available.

**Applicant Complaint Procedure:** Initial applicant complaints about any aspect of service delivery, staff, program restrictions or contractor relations/workmanship may be pursued

verbally or in writing to CMHP. The complaint shall be addressed by working with the contractor and the applicant to resolve the problem within two (2) weeks.

**Applicant Appeal Procedure:** If a household is dissatisfied with the level of assistance they have received, and where an applicant complaint cannot be resolved with CMHP, CMHP will notify the applicant in writing that a written procedure for appeal is available. The appeals procedure follows these steps:

1. The applicant who wishes to appeal the initial response must submit a request for appeal in writing within thirty (30) days of the initial response. This request must state the reason(s) for the appeal and should include any information that the applicant feels is pertinent to the appeal.
2. All appeals should be addressed to:  
Central Minnesota Housing Partnership, Inc.  
37 28<sup>th</sup> Avenue North, Suite #102  
St. Cloud, MN 56303
3. A Review Committee shall be established and made up of representatives from CMHP and the HRA.
4. If the Review Committee concurs on the findings, CMHP shall respond to the applicant, in writing, including the results of the review, an explanation of the findings and the next step the applicant can take if he/she is still not satisfied with the response.
5. If the Review Committee does not concur on the findings, the appeal will be presented to the HRA, whose written decision shall be final and presented to the applicant within fifteen (15) working days.

## **11. AMENDING POLICIES & PROCEDURES**

These policies and procedures may be amended during the course of the loan agreement, by taking the following steps:

- The HRA or CMHP may recommend an addition, deletion or revision by contacting the other party and stating the proposed change and reason for the proposed change.
- The proposed change will be presented, discussed and approved at an HRA meeting

*Policies and Procedures prepared by Central Minnesota Housing Partnership, Inc.  
on behalf of the HRA of Elk River.*

*Exhibit A*  
*Targeted Area*

Target area starts at the intersection of School Street and Freeport Street and travels south including all homes abutting Freeport Street until the intersection with 3<sup>rd</sup> Street NW. At the intersection of Freeport Street and 3<sup>rd</sup> Street NW it travels east until the intersection with Evans Avenue NW including all homes south of 3<sup>rd</sup> Street NW. At the intersection of 3<sup>rd</sup> Street NW and Evans Avenue NW it travels south until it intersects with Railroad Drive. All homes along Main Street NW east of Evans Ave NW until Carson Court NW are included, along with all homes on 2<sup>nd</sup> Street NW and 1<sup>st</sup> Street NW cul-de-sac's. At the intersection of Evans Ave NW and Railroad Drive the target area boundary travels directly west over Highway 10 to the Mississippi River. It travels up stream along the Mississippi River until the intersection with the Elk River, it travels up stream on the Elk River until the Main Street NW bridge all homes on the north side of the Mississippi and Elk River are included in target area. The boundary travels along Main Street NW to the intersection with Rush Avenue NW and includes any abutting homes. At the intersection of Main Street NW and Rush Avenue NW it travels north to Highway 10 and includes all homes east of Rush Ave NW. It then travels east along Highway 10 including all property to the south until the Quinn Avenue NW. It follows Quinn Avenue NW north over the railroad tracks until School Street NW including all homes east of Quinn Avenue NW. At School Street NW it travels east until the intersection with Freeport Street including all homes south of School Street NW.

CENTRAL MINNESOTA HOUSING PARTNERSHIP, INC.

# Elk River Housing and Redevelopment Authority

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Application for Home Rehabilitation

Property Owners Name: \_\_\_\_\_

Property Owners Address: \_\_\_\_\_

Address to be improved: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ Phone: \_\_\_\_\_ Date: \_\_\_\_\_

Short Project Description: \_\_\_\_\_

\_\_\_\_\_

Number of people in Household: \_\_\_\_\_ Estimated Yearly Gross Household Income: \$ \_\_\_\_\_

**Eligibility Requirements:**

- I own and live in the house to be remodeled
- My home receives homestead credit on my Sherburne county taxes
- My home is at least 20 years old and was build in \_\_\_\_\_(year built)
  - If home is older than 1978 lead assessment required
- I have not begun my home improvement project
- This home is my primary residence

Your application is not complete if you do not include:

1. Application
2. Work requested checklist
3. Most recent Federal tax return
4. Proof of ownership copy of deed
5. Homeowners insurance binder (must show current dates of coverage)
6. Property tax statement (most recent)
7. Conflict of interest form (signed by all owners)

**I agree with and understand the following:**

I have read and am within the guidelines for the Housing Rehabilitation Loan Program. I understand that if any information is incorrect or incomplete, my chances of receiving funding will be delayed and/or hindered. I understand I cannot begin work before approval of my application.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Application will be reviewed in the order they are received

**Eligibility Criteria**

1. Properties must be located within target area.
2. Applicant must have ownership of property and is current resident.
3. Applicant must not have started or completed work on the proposed project.
4. Proposed improvements must comply with Minnesota State Building Code for rehabilitation work.
5. Eligible improvements include exterior improvement to buildings, as well as interior improvements related to safety, accessibility, habitability, and energy consumption, and efficiency.

**Work Requested** (Check all that apply)

Eligible exterior improvements:

- Windows and doors
- Painting, sandblasting or other façade improvements
- Roofs
- Foundations
- Exterior lighting
- Handicap Accessibility
- Cement work (sidewalks and steps)
- Landscaping
- Other: \_\_\_\_\_

Eligible safety, accessibility, habitability and energy efficiency improvements:

- Heating
- Electrical
- Plumbing
- Insulation
- Handicap accessibility
- Asbestos and lead abatement
- Other: \_\_\_\_\_

Ineligible improvements include:

- Refinancing debt or prior rehabilitation debt
- Security systems
- Furniture
- Recreational items (tennis courts, swimming pools, etc.)
- Appliances (unless needed to meet rehabilitation standards or livability)

\*Loans are not available to remodel apartments or rental units

### **Financing Terms:**

- 5 year loan at 2% below prime rate
- 10 year loan at 1% below prime rate
- 15 year loan at prime rate.
- \$5,000 to \$10,000 5 year loan
- \$10,001 to \$20,000 5 or 10 year loan
- \$20,001 to \$25,000 5, 10 or 15 year loan

The amount of the loan should be \$5,000 or more and no more than \$25,000. Prime rates set on date of bid opening.

### **Conditions**

1. If the applicant has received a loan(s) from Elk River HRA in the past, he or she is only eligible for the difference between the maximum loan amount and the amount remaining to be paid on previous loan(s).
2. Loans on the property sold by contract-for-deed are due when the title transfers or owner no longer maintains property as primary residence.
3. All owners must join in the application including contract holders.
4. Loan applicants will pay recording fees.

### **Loan Application Review Process**

1. CMHP staff will evaluate the loan application to determine eligibility.
2. Once staff makes a determination the building inspector or CMHP staff will conduct an inspection of the property. At the inspection, there will be a determination if corrective actions are necessary for the property to conform to rehabilitation standards.

### **Contact information:**

Jason Krebsbach

Phone: 320-258-0672

Email: [Jason@cmhp.net](mailto:Jason@cmhp.net)

Return completed application and all attachments to:

Central Minnesota Housing Partnership, Inc.

Attn: Jason Krebsbach

37 28<sup>th</sup> Avenue North, Suit #102

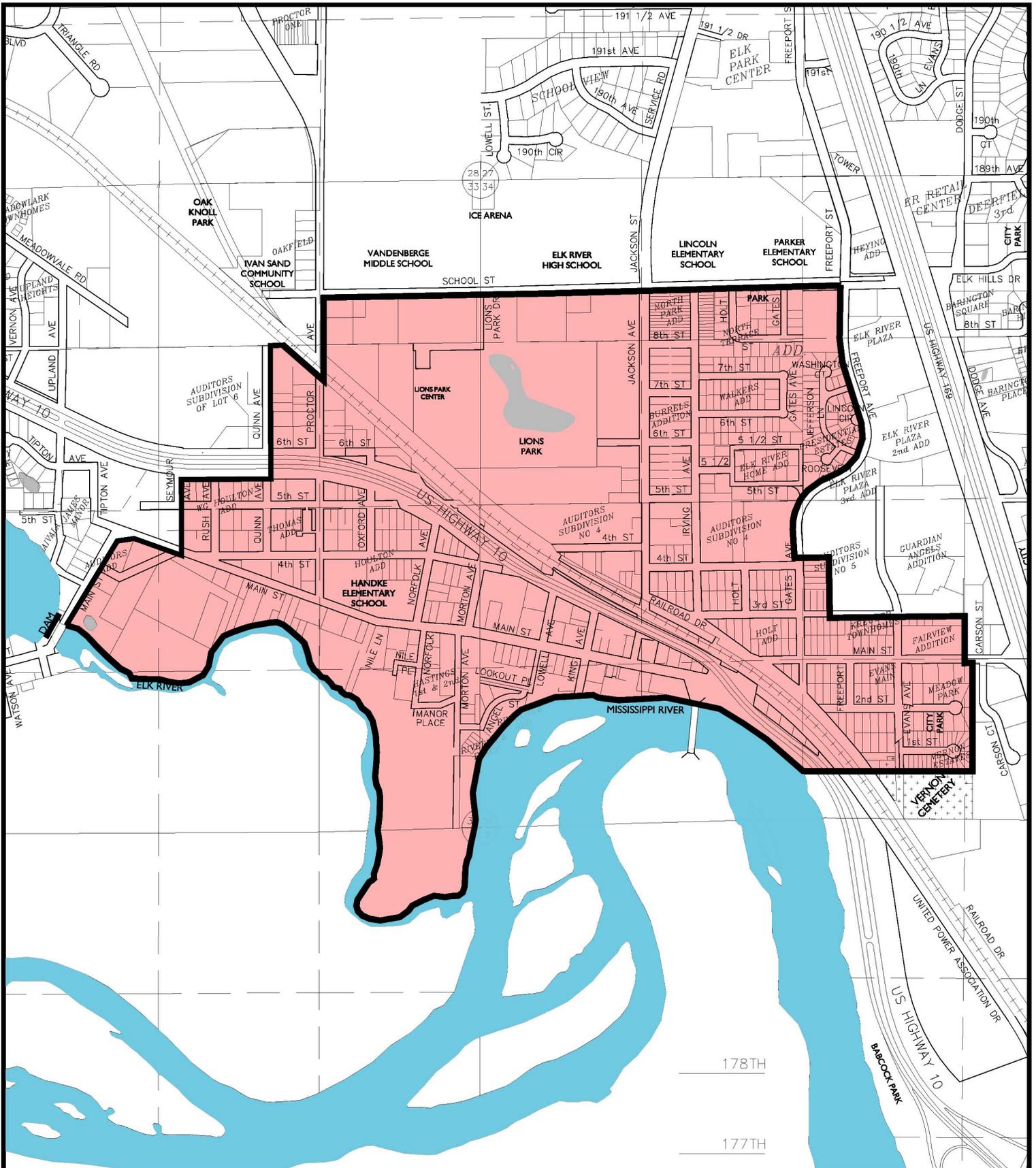
St. Cloud, MN 56303

*Note: Faxed or emailed applications will not be accepted*

**Please remember to complete all sections of the application and provide addresses where requested. Failure to complete the application in full will delay your approval time, and may lead to application denial.**

## **Application Steps**

1. Submit application
  - Work requested checklist
  - Most recent Federal tax return
  - Homeowners insurance (must show current dates of coverage)
  - Property tax statement (most recent)
  - Copy of warranty deed or contract for deed
  - Conflict of interest form (signed by all owners)
2. Housing inspection
  - Elk River house inspection required (any issues found must be addressed to receive funding)
  - If home is older than 1978 lead assessment is required
  - CMHP provides scope of work based on home inspection and list of contractors in Elk River.
3. Scope of work
  - Returned with at least 2 bids
  - Sketches is applicable
4. Contract sent to homeowner with chosen contractor's and scope of work
  - Signed and notarized
5. Contracts signed by homeowner sent to contractor
6. Contracts reviewed by CMHP
  - Notice to proceed issued to contractor
  - Material and construction draws after notice to proceed issued
7. Closing inspection
  - CMHP



# Attachment A: Target Area Map

April 9, 2014