

**City of Milaca Small Cities Development Program
Owner Occupied Housing Rehabilitation "Intent to Participate" Form**

This letter is intended to show my intent to participate, or apply to the Milaca Small Cities Development Program (SCDP) to rehabilitate my home, as outlined below/discussed at informational meetings/indicated in informational mailings.

I understand that:

- ✓ Not all applicants may receive funding. Applications will be processed on first-come first serve basis based on the completion of a full application packet and the location of the property.
- ✓ These funds are available only to homes in the designated target area within the City.
- ✓ This assistance is offered to homeowners in the form of a 0% interest, 10-year loan.
- ✓ As security for repayment of the loan, a lien will be placed against my property for 10 years. If:
 - After the 10 years I still own the property, the loan will be forgiven and considered a grant.
 - During the 10 years I sell, transfer or convey the property to someone else, a portion of the loan must be repaid to the City for use on rehabilitating other homes.
- ✓ Each year that I do own & occupy the home as my primary residence, 10% is forgiven until the 10th year when the loan is forgiven completely.
- ✓ The maximum loan amount through this program is \$23,000. If my project is more than \$23,000; funding will have to be secured from another source (savings, bank loan, other grant program).
- ✓ I must be current with my property taxes, have homeowner's insurance and be within the income limits for my household size:

Family Size	1 person	2 persons	3 persons	4 persons	5 persons	6 persons	7 persons	8 persons
Income	\$34,550	\$39,500	\$44,450	\$49,350	\$53,300	\$57,250	\$61,200	\$65,150

- ✓ Remodeling is NOT allowed and Lakes & Pines CAC, Inc. will be working with me to prepare a scope of work following these priorities:
 1. Repairs to address health & safety issues (smoke/CO detectors; plumbing, heating, electrical & lead hazard repairs)
 2. Ramps, doors & bathroom accessibility conversions (grab rails, wider doors & entrance ramps)
 3. Repairs to the structure & exterior envelope (foundation repairs, windows, doors, siding, roofing)
- ✓ All rehabilitation will be coordinated through Lakes & Pines CAC, Inc., and competitive bids will be required. Any work done before coordinating with Lakes & Pines CAC, Inc. will not be eligible for funding.

After reviewing the above information and the program fact sheet, I am interested in participating in this program, should it receive funding. I also understand that by submitting this form, I am not required to participate, however I will be contacted by Lakes & Pines CAC, Inc. if the program is funded.

Property Owner Name(s): _____
 Phone Number: _____
 Address: _____

Brief description of work needed: _____

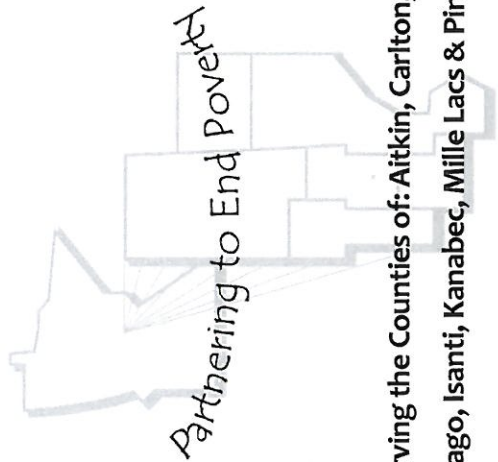
(Optional) Special circumstances: _____

Signature _____ Date _____

Signature _____ Date _____

Request/ Return forms / Inquire: Lakes & Pines Community Action Council, Inc.
 1700 Maple Ave E, Mora, MN 55051
 Phone & TDD: 320-679-1800 or 1-800-832-6082 Fax: 320-679-4139 Web: www.lakesandpines.org
 Special accommodations for people with disabilities upon request - An Equal Opportunity Employer/Contractor
 Serving the counties of Aitkin, Carlton, Chisago, Isanti, Kanabec, Mille Lacs and Pine

Lakes & Pines CAC Mission: To build prosperous communities by serving local families and individuals in their pursuit of self-reliance.



Serving the Counties of: Aitkin, Carlton, Chisago, Isanti, Kanabec, Mille Lacs & Pine

Given our limited resources, consider volunteering. Volunteers help us reach more people. Visit our website: www.lakesandpines.org or call 800.832.6082 to become a volunteer.



City of Milaca Small Cities Development Program

Housing Rehabilitation

What to expect:

The proposal is being submitted to DEED on behalf of the City in the fall of 2013. If the proposal is accepted, the application is due in the early spring of 2014; notification will be received on whether the application is approved. If the application is approved, interested property owners and local media will be informed. Individual applications from property owners will be collected during the summer months (2014) and the earliest the first rehabilitation project may begin is during the fall of 2014. The program does run for a total of 30 months, usually starting June 1, 2014 through December 31, 2016.



1700 Maple Avenue East
Mora, MN 55051
320.679.1800 or 800.832.6082
Fax: 320.679.4139
www.lakesandpines.org



Grant preparation, submission and administration by Lakes & Pines CAC, Inc on behalf of the City of Princeton.

**City of Milaca Small Cities Development Program 2014-2016
Owner Occupied Housing Rehabilitation Fact Sheet**

The City of Milaca is seeking grant funds for homeowners interested in improving their homes from the Minnesota Department of Employment & Economic Development's (DEED's) Small Cities Development Program (SCDP) which is funded by the United States Department of Housing & Urban Development (HUD).

- The city would provide assistance to homeowners in the form of a **0% interest, 10-year loan**.
 - Homeowners will be asked to match 10% of the total cost of improvements, but this is dependent on income level.
 - Homeowners unable to match the grant funds will not be turned away.
- The maximum SCDP loan available for owner occupied housing rehabilitation is **\$23,000** per property. If the project is more than \$23,000; funding will have to be secured from another source (savings, bank loan, other grant program, etc.).
- The SCDP loan is only repaid if the property is sold; title is transferred, or conveyed within the 10 years of the term of the loan.
 - The obligation to repay the loan is reduced by one-tenth of the original loan amount after each year.
 - After 10 years, if the property is still owned & occupied by the borrower, the loan is forgiven and considered a grant.

To qualify:

- The home must be in the City of Milaca. *The area of the City showing the most interest will be the selected target area. Interested owners should contact neighbors to ensure that their area is the most interested.* The home must be homesteaded (the applicant's primary residence), and need repairs.
- The applicant must own & be current on payments of the house; either free of debt, through a mortgage or recorded Contract for Deed.
- Taxes must be current and proof of homeowner's insurance is required. *If you are buying the property on a Contract for Deed, the holder of the contract must sign off on the loan, as well as the principal borrower/applicant.*
- The applicant's household gross (before taxes) annual income (including Social Security, wages and all regular sources) must be within the limits listed below:

Family Size	Income
1 person	\$34,550
2 persons	\$39,500
3 persons	\$44,450
4 persons	\$49,350
5 persons	\$53,330
6 persons	\$57,250
7 persons	\$61,200
8 persons	\$65,150

Licensed, insured contractors will be required to perform the rehabilitation work. Work completed prior to approval of an applicant or property will not be reimbursed. If the program is funded, approved applicants will have an inspection conducted of their property to determine what repairs are needed and qualify under this program.

Some of the qualifying improvements under the SCDP and are prioritized in this order:

1. Repairs to address health & safety issues (smoke/CO detectors; plumbing, heating, electrical & lead hazard repairs)
2. Ramps, doors & bathroom accessibility conversions (grab rails, wider doors & entrance ramps)
3. Repairs to the structure & exterior envelope (foundation repairs, windows, doors, siding, roofing)

What to do now:

Express interest! To receive funding, the city **MUST** show that there are property owners interested in participating in the program. Interested property owners should **fill out and return the pink "Intent to Participate" form by September 30, 2013 (to Lakes & Pines)** to prove that there is interest in this program. Property owners that aid in this way will be contacted directly if the program is funded to obtain an individual application for their property.

Remodeling is not allowed.