

**CITY OF ST. JOSEPH
PLANNING AND COMMUNITY DEVELOPMENT
COMMUNITY DEVELOPMENT GRANT / LOAN PROGRAM**

City Hall Room 101-B
1100 Frederick Avenue
St. Joseph, Missouri 64501
Telephone (816) 271-4609

Before your application will be accepted or processed for assistance for the Grant / Loan Program you are required to furnish our office with the following information:

- 1) A completed application with the information requested below attached and returned to the above address;**
- 2) Documentation showing ownership of your house (Recorded Warranty Deed or Beneficiary Deed, etc.)**
- 3) Two most recent pay stubs or verification of benefits for the current year.**
- 4) Copy of all existing mortgages and/or liens on the property.**
- 5) Acceptable verification of permanent disability if applicable.**

Upon receipt and verification of this information by Community Development Staff, an inspection of your home will be scheduled to determine the work needed. **HOUSES WITH WEEDS, STORED TRASH AND DEBRIS, OR JUNK CARS WHICH VIOLATE CITY CODES WILL BE DETERMINED INELIGIBLE.**

FUNDS SHALL BE USED FOR THE FOLLOWING:

1. Elimination of Section 8 minimum housing code violations and general property improvements which may include weatherization, siding, addition costs which are deemed necessary to alleviate overcrowded conditions, provide accessibility to the disabled, or eliminate functional obsolescence.
2. General property improvements may also include nuisance abatement for applicants who are age 62 or over or who are permanently disabled, removal of substandard additions or accessory structures, and minor exterior enhancements such as trees and landscaping materials when deemed necessary for improved overall appearance of neighborhood.
3. Repair or purchase of kitchen equipment or other necessary household appliances to ensure safe, sanitary conditions.

GUIDELINES:

1. The applicant must own and occupy the house for at least six (6) months prior to applying. Applicant must agree to continue residence and ownership for a period of at least two (2) years after rehabilitation. Applicant must also agree to maintain the property in accordance with all codes of the City of St. Joseph for the term of the loan.
2. Properties assisted through this loan program will not be eligible again for participation for a period of ten (10) years after the rehab work has been completed.
3. Household income for all applicants must fall at or below the following income limits:

HOUSEHOLD SIZE	MAXIMUM INCOME
1	\$40,900
2	\$46,750
3	\$52,600
4	\$58,400
5	\$63,100
6	\$67,750
7	\$72,450
8 or more	\$77,100

NOTE: INCOME GUIDELINES ARE SUBJECT TO CHANGE ANNUALLY

4. Work provided under this program does not require the elimination of all existing violations; however, before general property improvements are considered, priority of work will be given but not be limited to the following:
 - (a) Conditions creating electrical hazards
 - (b) Hazardous plumbing or circumstances creating hazards such as:
 1. Leaking water lines or fixtures
 2. Broken and/or inoperative sewer systems
 3. Inadequate water heating systems
 4. Improper sewer venting causing hazardous gases
 - (c) Inadequate heating systems
 - (d) Improper flues causing toxic gases and/or fire hazards
 - (e) Structural failure
 - (f) Leaking roof and/or conditions resulting from or contributing to water damage
 - (g) Work necessary to provide accessibility for elderly or disabled occupants; and
 - (h) Identifying and correcting Lead paint hazards
5. Total amount of work and refinance (if necessary) shall not exceed one hundred percent (100%) of the estimated finished appraised value of the property, minus all other existing liens and/or mortgages against that property.

6. **75% of the project costs will be in the form of a Grant** with the remaining 25% financed with a 2% Loan that can be amortized for up to 20 years based on the owner's ability to repay.
7. A 0% (zero-interest) deferred payment loan (DPL) may be offered to applicants who are 62 years of age or older and/or permanently disabled whose incomes do not permit the repayment of an amortizing loan. A Deed of Trust will be recorded as security for the loan.
8. Special consideration will be given to "Weatherization-Only" projects costing \$5,000 or less and where the scope of work is limited to such items as insulation, storm windows, storm doors, entry doors, weather-stripping, caulking, etc., and upgrades of HVAC equipment. These "Weatherization-Only" projects will be a 100% grant to the homeowner(s).
9. Property must not be located in a flood zone.

POLICY/PROCEDURES:

1. Applications are processed to ensure the applicant has clear title to the property and appears to be within the guidelines. If applicant does not qualify, he/she is notified or given opportunity to provide more information. Receipt of application by Community Development Division does not guarantee approval for rehabilitation assistance.
2. Housing Program Manager inspects house for work to be done and cost feasibility.
3. Work write-up and cost estimate is completed by Housing Program Manager and submitted to homeowner(s) for approval.
4. Homeowner(s) approves work write-up, and it is submitted to contractors for bid. (Contractors must be licensed and in good standing with the City of St. Joseph.) If the job is not cost effective upon receipt of the bids, bids will be rejected and the application canceled.
5. Upon receipt of acceptable bids City Rehab Staff will select the lowest qualified bidder as the contractor. The homeowner will enter into a contract with the City and the chosen contractor for the work to be performed.
6. The homeowner(s) completes loan documents. All owners of record must sign legal documents. The borrower agrees to own and occupy the property for at least two (2) years after the rehabilitation is completed.

7. A pre-construction conference is held with the homeowner(s), contractor, and Rehab Program Manager to explain the work. A promotional sign may be placed on the property stating that funding for the project is provided by the Department of Housing and Urban Development through the City of St. Joseph Planning and Community Development Department, Community Development Housing Rehabilitation Programs.
8. Contractors are notified to begin work. Housing Program Manager follows progress of work to ensure work is done properly and in accordance with the contract.
9. Progress payments will be processed to pay the contractor for completed work based on the bid amount of each line item in the contract or a percentage of the work for certain construction trades. 5% of each progress payment will be held in retainage until the completion of the project. When all work is completed, a final inspection is made. If satisfactory with all parties, the 5% retainage will be released to the contractor.
10. Loan payments begin 60 to 90 days after loan papers are signed (Contractor is given 60 to 90 days from said date to complete work depending on the size and scope of the project).

Applicants must certify on the application that the information provided is a true and accurate representation including ownership, income, marital status, etc. Under USC Title 18, Section 1001: “Penalty for false, fictitious or fraudulent statement or entry shall be fined not more than \$10,000 or imprisoned not more than five (5) years, or both.”

NOTE: The City of St. Joseph reserves the right to cancel, change or amend this program without notice to applicants.
