

# CITY OF MENASHA

## HOUSING IMPROVEMENT LOAN INFORMATION

### FACT SHEET

#### **WHAT LOANS ARE AVAILABLE?**

**Currently a limited amount of funds are available through the CDBG Revolving Loan Program.**

#### **OWNER / OCCUPANT REHABILITATION LOAN PROGRAM:**

Provides no interest, deferred loans for all types of home repairs. Critical repairs (those involving plumbing, electrical, code violations and health and safety issues) will be prioritized and completed before updates and cosmetic items will be considered for funding. The amount of loan varies depending upon the value of the property, other mortgages you may have, and the cost of work that is required. These loans are for rehabilitation only, and are not designed to finance remodeling projects. A deferred loan does not have to be repaid until you sell the house or you no longer live in it. Applications for these loans will be accepted on a first come, first serve basis. The minimum loan amount will be \$1,000 with no loans exceeding \$12,000 without prior approval of the CDBG Committee.

#### **EMERGENCY REPAIR PROGRAM:**

This program provides a no interest loan for emergency home repairs as needs arise. Applications will be accepted year around as long as there are funds available. Owners must agree to complete any/all rehab work needed to bring the property up to code and Minimum Housing Quality Standards in addition to the emergency repair.

#### **WHAT WORK IS FUNDED BY THE PROGRAM:**

The work is generally limited to repairs and replacement of critical components, items needed to bring the property up to HQS (health and safety standards) and the City of Menasha Minimum Housing Code. This includes repairs to the existing structure, heating, plumbing and electrical work. Handicapped accessible modifications to include: exterior and interior ramping, expansion of entrance ways, accessible bathrooms and other modifications needed to make a home handicap accessible, are eligible for funding. However, rehabilitation loans do not fund "remodeling projects" such as adding a bathroom, making attic space into bedrooms, etc. Construction of a garage or an out-building is not a permitted use of funding. Lead paint reduction activities and lead paint abatement is an eligible expense and must be addressed at the time rehab estimates are determined. Some of the lead paint reduction/abatement activities may be covered by grant funds.

#### **DOES EVERY PROPERTY QUALIFY FOR THE LOAN PROGRAM?**

1. Your home must be located in the City limits of Menasha. Priority will be given to properties located within a specific target area (see attached map with outlined target area), but loans may be made throughout the City.
2. In order to be considered for a loan, your home must have at least one structural, plumbing, heating or electrical problem or other substandard conditions. For instance, a leaking roof, faulty furnace, foundation problems would be eligible for repairs.
3. The City must be able to take a first or second mortgage on the house to secure the loan. However if this is not possible the overall debt of the homeowner will be considered before funding is approved. In the case of a land contract, the land contract seller must agree to the loan and sign the mortgage documents.

#### **WHAT IS THE INCOME ELIGIBILITY CRITERIA NEEDED TO QUALIFY?**

The chart below indicates the maximum annual gross income adjusted by family size to qualify. If your total household income, calculated from all sources and all family members, is lower than the amount shown then you are eligible to be considered for a loan.

<b>Family Size</b>	<b>Gross Income</b>	<b>Maximum Annual</b>
1	\$36,400	
2	\$41,650	
3	\$46,850	
4	\$52,050	
5	\$56,250	
6	\$60,400	
7	\$64,550	
8	\$68,750	

If the family income is slightly higher than the amount shown or your family has more than 8 members, please contact the CDBG Administrator at 470-3333.

### **OWNER/OCCUPANT REHABILITATION LOANS – HOW LONG DOES IT TAKE?**

As applications are received, property owners will be contacted to arrange an inspection. The inspection will be done by a CHC staff person and/or the City Building Inspectors office to determine what work is needed to make this house meet the Federal and local standards established for this program. In some cases the Menasha Health Department staff will also inspect the property to do a lead paint assessment.

After the inspection is completed each application will be given a code number and the application will be taken to the CDBG RLF Committee for review and approval. Approval of the rehab funding is based on the location of the home, the condition of the home, the income level of the applicants and the amount of rehab needed based on an estimate following the inspection of the property. Homes needing the most work and having the lowest income occupants will be prioritized.

Applicants will be notified that loan funds were approved for projects and work specifications will be drafted and will be sent out for contractors to bid. The bids will be reviewed by the staff and homeowners; and the homeowner will select a contractor. Rehabilitation contracts will be drafted/facilitated by the program staff but the contracts will be between the homeowner and the contractor.

In the event an applicant is not selected for a loan, they may apply again when more funds are available.

### **EMERGENCY REPAIR LOANS – HOW FAST CAN YOU GET HELP?**

Applications are accepted throughout the year as long as funds are available. CHC staff and/or City inspectors will inspect the property as soon as possible to verify that the problem is a serious threat to the health and safety of the occupants.

Emergency requests will be decided after the inspection of the property is complete and it has been determined that the applicant is eligible for funding and that the home can be brought up to minimal housing quality standards prior to, or after, the emergency rehab is completed. Emergency requests will be reviewed and approved by the committee at the next CDBG RLF Committee meeting.

### **WHERE DO I APPLY TO RECEIVE A LOAN?**

The Community Development Office, (second floor, City hall) 140 Main Street, Menasha. Or contact Mary Bach, Community Housing Coordinators, at 470-3333 or [bach2chc@milwpc.com](mailto:bach2chc@milwpc.com) for an application packet or if you have questions pertaining to the program.