

**CITY OF PLYMOUTH
AGENDA
Housing and Redevelopment Authority
January 23, 2020, 7:00 PM
Parkers Lake Room**

- 1. CALL TO ORDER**
- 2. PUBLIC FORUM**
- 3. APPROVE AGENDA**
- 4. CONSENT AGENDA**—*These items are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items unless a Commissioner or citizen so requests, in which event the item will be removed from the Consent Agenda and placed elsewhere on the agenda.*
 - 4A Approve proposed November 21, 2019 minutes
 - 4B Plymouth Town Square. Accept monthly housing reports
 - 4C Vicksburg Crossing. Accept monthly housing reports
- 5. NEW BUSINESS**
 - 5A Emergency Repair Program. Consider increase in maximum assistance
 - 5B Home Rehabilitation and First Time Homebuyer Programs. Consider procedural guideline changes
 - 5C HRA Strategic Plan. Approve contract with Bennett Community Consulting
- 6. UPDATES**
- 7. ADJOURNMENT**

DRAFT MINUTES
PLYMOUTH HOUSING AND REDEVELOPMENT AUTHORITY
November 21, 2019

4A

MEMBERS PRESENT: Chair Michelle Soderberg, Commissioners Matthew Plec, Jeff Kulaszewicz, and Robert Huddleston

STAFF PRESENT: HRA Manager Jim Barnes, Community Development Coordinator Matt Lupini, and Office Support Representative Tina Beckfeld

OTHERS PRESENT: Council Member Jim Davis, and Grace Management Representative Jody Boedigheimer

1. CALL TO ORDER

Chair Soderberg called the Plymouth Housing and Redevelopment Authority meeting to order at 7:00 p.m.

2. PUBLIC FORUM

Chair Soderberg opened and closed the Public Forum, as there was no one present to speak.

3. APPROVE AGENDA

MOTION by Commissioner Kulaszewicz, seconded by Commissioner Plec, to approve the Agenda. **Vote.** 4 Ayes. **MOTION** passed unanimously.

4. CONSENT AGENDA

4A. Approve proposed September 26, 2019 minutes.

4B. Plymouth Towne Square. Accept monthly housing reports.

4C. Vicksburg Crossing. Accept monthly housing Reports.

4D. Senior Building Resident Survey Recap.

MOTION by Commissioner Kulaszewicz, seconded by Commissioner Plec, to approve the Consent Agenda. **Vote.** 4 Ayes. **MOTION** passed unanimously.

5. NEW BUSINESS

5A. First Time Homebuyer and Owner Occupied Rehabilitation Programs. Consider Changes to the subordination policy.

Community Development Coordinator Matt Lupini gave an overview of the staff report.

Commissioner Kulaszewicz asked for the origin of the income limit of 125 percent current CDBG maximum income.

HRA Manager Barnes stated the clause has been in place since at least 2000 when he started working for the city. Various federal program have such limits, but he was unable to substantiate how the 125 percent limit came to be.

Commissioner Huddleston said it makes sense to limit the income with an initial cap.

HRA Manager Barnes stated when applicants first apply for the programs they must be at or below 80 percent of area median income.

Commissioner Plec added they can't take cash out and there already is a loan to value ratio in place.

Chair Soderberg inquired about recent denials.

Community Developments Coordinator Matt Lupini answered two subordination requests were denied on the basis of 125 percent but the board was not made aware of these requests because the borrowers did not appeal.

Commissioner Kulaszewicz stated he had no objection deleting the requirement.

Chair Soderberg said she felt more comfortable with granting the change now because staff was able to evaluate and research other comparable programs.

Council Member Davis asked if the change would help previously denied borrowers.

HRA Manager Barnes replied yes.

MOTION by Commissioner Huddleston, seconded by Commissioner Plec to approve the proposed changes to the FTHB and Home Rehabilitation loan subordination policies. **Vote.** 4 Ayes. **MOTION** passed unanimously.

5B. Senior Building Budgets. Review and approve the 2020 budget.

HRA Manager Barnes gave an overview of the staff report.

Commissioner Kulaszewicz noted the 1% increase in rents was across the board and asked if the increase was consistent with surrounding communities.

HRA Manager Barnes stated staff uses the rent survey to evaluate any increase. They also review what other housing authorities or proposing for rent increases. Plymouth may not be the lowest but is in line with the surrounding communities.

Chair Soderberg asked if a part time custodian shared by both Vicksburg Crossing and Plymouth Towne square would be hired.

HRA Manager Barnes state the new custodian is doing a good job and no new hires would be needed at this time. Staff will continue to evaluate staffing needs throughout the year.

Commissioner Kulaszewicz asked if the old furniture being replace could be donated.

HRA Manager Barnes answered no. Regulations dictate it must be sold or thrown away.

Commissioner Kulaszewicz asked if the rental guest rooms at the senior buildings are utilized and worth the cost.

Ms. Boedigheimer said use varies but feels it is a nice amenity for the senior buildings and a good selling point.

Chair Soderberg asked if the window project for Vicksburg Crossing is being approved tonight or just the authorization to prepare plans and bid documents.

HRA Manager Barnes the authorization tonight is to prepare the bid documents. Staff will bring these documents back to the Board prior to going out for bid.

MOTION by Commissioner Huddleston, seconded by Commissioner Plec, to adopt HRA Resolutions 2019-5 and 2019-6 approving the 2020 Plymouth Towne Square and Vicksburg Crossing Operating Budgets. **Vote.** 4 Ayes. **MOTION** approved unanimously.

6. UPDATES

HRA Manager Barnes provided an update to the Board on the following items.

- Vacant HRA board seat
- Beacon and Sand Companies projects
- Four Seasons Mall

7. ADJOURNMENT

MOTION by Chair Soderberg, with no objection, to adjourn the meeting at 7:40 p.m.

P
PLYMOUTH
TOWNE SQUARE

4B

MEMORANDUM

To: Jim Barnes

From: Phil Marston

Date: January 15, 2020

**RE: Plymouth Towne Square Monthly Report for December 2019.
The January 2020 Newsletter and Calendar are attached.**

Rentals:

As of December 1st we had 98 occupied apartments.

Apartment Type	Occupied	Vacant	Deposits	Estimated Move in
1 Bedroom	59	0	1	1/1/20
2 Bedroom 1-Bath	20	0	1	1/15/20
2 Bedroom 2-Bath	19	0	0	
Totals	98	0	1	

Move-Ins/Move-Outs:

We had zero move in and one move out during December. As of December 31st we had 97 occupied apartments.

Marketing

The wait lists remain open with 88 names on the 1-bedroom list and 15 names on the 2-bedroom list. We receive inquiry calls daily and send applications out when requested.

Resident Services

Our monthly resident meeting and birthday party celebration was held on Thursday December 19th with 26 residents in attendance. On December 12th we had our annual PTS holiday dinner. There were about 70 residents in attendance.

Building Issues

No issues to report at this time.

Balance Sheet

PLYMOUTH TOWNE SQUARE

As Of December 31, 2019

	Ending Balance	Total
ASSETS		
CURRENT ASSETS		
PETTY CASH-US BANK	500	
US BANK OPER ACCT	184,094	
US BANK SEC DEP ACCT	67,789	
INVESTMENTS - WORKING CAPITAL FUND	730,827	
INVESTMENTS - NEW DEBT SERVICE	(17,482)	
DUE FROM CITY OF PLYMOUTH	80,000	
INTEREST RECEIVABLE	1,500	
PREPAID PROPERTY INSURANCE	12,422	
PREPAID WORKERS COMP INSUR	562	
PREPAID OTHER	18,979	
TOTAL CURRENT ASSETS		1,079,192
FIXED ASSETS		
LAND	459,247	
SITE IMPROVEMENTS	182,420	
BUILDING	5,767,619	
BUILDING IMPROVEMENTS	1,077,233	
FURN, FIXT & EQUIP-GENERAL	438,088	
FURNITURE & FIXTURES - HOUSEKEEPING	8,596	
COMPUTERS/OFFICE EQUIPMENT	13,060	
ACCUMULATED DEPRECIATION	(4,478,547)	
TOTAL FIXED ASSETS		3,469,715
NON-CURRENT ASSETS		
TOTAL ASSETS		4,548,907
LIABILITIES		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE-TRADE	14,112	
PREPAID MONTHLY RENT	588	
ACCRUED PAYROLL	3,005	
ACCRUED COMPENSATED BALANCES	496	
ACCRUED INTEREST	12,062	
ACCRUED REAL ESTATE TAXES	33,612	
BONDS PAYABLE-SERIES 2011A ST	305,000	
TOTAL CURRENT LIABILITIES		368,874
LONG-TERM LIABILITIES		
SECURITY DEPOSITS	65,808	
BONDS PAYABLE - SERIES 2011A LT	980,000	
BOND PREMIUM	23,689	
		1,069,498
TOTAL LIABILITIES		1,438,371
EQUITY		
RETAINED EARNINGS RSRVD FOR DS	136,846	
RETAINED EARNINGS	734,577	
NET INVESTMENT IN CAPITAL ASSETS	2,048,702	
TOTAL EQUITY		2,920,126
CURRENT YEAR INCOME/(LOSS)		190,410
TOTAL LIABILITIES & EQUITY		4,548,907

Profit and Loss Variance

PLYMOUTH TOWNE SQUARE

Through December 31, 2019

	MTD Actual	Budget	Var.	YTD Actual	Budget	Var.	Year Budget
INCOME							
APARTMENT RENTAL REVENUE	58,712	56,448	2,264	706,399	677,376	29,023	677,376
HRA INDIVIDUAL	15,417	15,413	4	185,000	185,000	0	185,000
GARAGE RENT	3,210	3,050	160	39,910	36,600	3,310	36,600
GUEST ROOM REVENUE	65	130	(65)	2,015	1,560	455	1,560
LAUNDRY REVENUE	905	885	20	10,073	10,620	(547)	10,620
APPLICATION FEE REVENUE	35	35	0	420	630	(210)	630
TRANSFER FEE REVENUE	0	0	0	0	500	(500)	500
INVESTMENT INCOME	662	500	162	30,121	6,000	24,121	6,000
MISCELLANEOUS REVENUE	0	100	(100)	1,359	1,200	159	1,200
TOTAL INCOME	79,005	76,561	2,444	975,297	919,486	55,811	919,486
EXPENSES							
ADMINISTRATION							
MANAGER SALARIES/WAGES	4,619	4,721	102	56,578	56,652	74	56,652
PAYROLL TAXES	801	970	169	7,666	11,596	3,930	11,596
HEALTH INSURANCE	1,050	1,787	737	15,602	21,477	5,875	21,477
WORKERS COMP INSURANCE	115	180	65	1,500	2,160	660	2,160
MAINTENANCE SALARIES/WAGES	4,552	5,451	899	50,778	65,412	14,634	65,412
EMPLOYEE COSTS	80	150	70	1,040	1,400	360	1,400
SEMINAR/TRAINING	0	0	0	0	255	255	255
CLASSIFIED ADVERTISING	0	0	0	420	0	(420)	0
BANK FEES	87	85	(2)	1,233	1,020	(213)	1,020
DUES, SUBS & MEMBERSHIPS	0	0	0	60	60	0	60
LICENSE & PERMITS	0	0	0	1,174	1,119	(55)	1,119
MILEAGE REIMBURSEMENT	96	53	(43)	708	630	(78)	630
POSTAGE/OVERNIGHT EXPRESS	0	0	0	160	135	(25)	135
PRINTING	0	20	20	0	240	240	240
MANAGEMENT FEES	4,840	4,840	0	58,080	58,080	0	58,080
PROFESSIONAL FEES	0	155	155	8,372	1,860	(6,512)	1,860
TELEPHONE EXPENSE	373	540	167	4,349	6,480	2,131	6,480
EQUIPMENT LEASE/REPAIR	1,088	265	(823)	3,649	3,180	(469)	3,180
OFFICE SUPPLIES	0	90	90	820	1,080	260	1,080
TOTAL ADMIN EXPENSES	17,702	19,307	1,605	212,189	232,836	20,647	232,836
LIFE ENRICHMENT							
RESIDENT PROGRAM/ACTIVITIES	1,587	1,900	313	6,835	6,350	(485)	6,350
TOTAL LIFE ENRICHMENT EXPENSES	1,587	1,900	313	6,835	6,350	(485)	6,350

Profit and Loss Variance

PLYMOUTH TOWNE SQUARE

Through December 31, 2019

	MTD Actual	Budget	Var.	YTD Actual	Budget	Var.	Year Budget
MARKETING							
ADVERTISING	0	10	10	0	120	120	120
TOTAL MARKETING EXPENSES	0	10	10	0	120	120	120
HOUSEKEEPING							
CONTRACT LABOR	1,372	1,509	137	16,675	18,108	1,433	18,108
CLEANING SUPPLIES	100	175	75	1,927	2,100	173	2,100
TOTAL HOUSEKEEPING EXPENSES	1,472	1,684	212	18,601	20,208	1,607	20,208
BUILDING & GROUNDS							
CABLE TV EXPENSE	84	66	(18)	887	792	(95)	792
UTILITIES - ELECTRICITY	1,611	2,100	489	19,790	25,700	5,910	25,700
UTILITIES - GAS	2,669	2,600	(69)	20,679	21,025	346	21,025
UTILITIES - WATER/SEWER	1,540	1,500	(40)	20,974	19,850	(1,124)	19,850
WATER SOFTENING SERVICE	456	525	69	5,227	6,300	1,073	6,300
DOORS, KEYS & WINDOWS	11	300	289	1,875	3,600	1,725	3,600
FIRE SYSTEM SERVICE	392	600	208	7,263	7,200	(63)	7,200
LAWN SERVICE/LANDSCAP/SNOW RMVL	4,604	2,500	(2,104)	36,944	24,000	(12,944)	24,000
PEST CONTROL	0	150	150	697	730	33	730
TRASH REMOVAL	1,122	780	(342)	12,716	9,360	(3,356)	9,360
UNIT TURNOVER REPAIRS	2,440	3,809	1,369	9,781	45,675	35,894	45,675
ELEVATOR-REPAIRS & MAINTENANCE	764	790	26	7,552	9,480	1,928	9,480
REPAIRS & MAINTENANCE	11,831	2,405	(9,426)	40,109	28,860	(11,249)	28,860
BUILDING & GROUNDS SUPPLIES	1,238	1,700	462	24,217	20,400	(3,817)	20,400
HVAC - REPAIRS & MAINTENANCE	923	1,125	202	18,314	13,500	(4,814)	13,500
MISCELLANEOUS B & G EXPENSES	0	834	834	0	10,000	10,000	10,000
TOTAL BUILDING & GROUNDS	29,683	21,784	(7,899)	227,025	246,472	19,447	246,472
OTHER OPERATING EXPENSES							
PROPERTY & LIABILITY INSURANCE	2,464	2,497	33	28,613	29,562	949	29,562
PAYMENT IN LIEU OF PROPERTY TAX	2,801	2,772	(29)	33,612	33,275	(337)	33,275
TOTAL OTHER OPERATING EXPENSES	5,265	5,269	4	62,225	62,837	612	62,837
TOTAL OPERATING EXPENSES	55,710	49,954	(5,756)	526,876	568,823	41,947	568,823
NET OPERATING INCOME / (LOSS)	23,295	26,607	(3,312)	448,421	350,663	97,758	350,663
DEPREC, INTEREST & OTHER							
DEPRECIATION EXPENSE	15,750	15,750	0	189,000	189,000	0	189,000
AMORTIZATION EXPENSE	(527)	(523)	4	(6,324)	(6,320)	4	(6,320)
RESERVE/REPLACE CAPITAL EXPENSE	15,650	7,332	(8,318)	106,482	88,050	(18,432)	88,050
INTEREST EXPENSE	4,172	4,017	(155)	48,853	48,237	(616)	48,237
HRA SUBSIDY-TIF	(6,667)	(6,663)	4	(80,000)	(80,000)	0	(80,000)
TOTAL DEPREC, INTEREST & OTHER	28,378	19,913	(8,465)	258,011	238,967	(19,044)	238,967
NET INCOME / (LOSS)	(5,084)	6,694	(11,778)	190,410	111,696	78,714	111,696

Twelve Month Profit and Loss

PLYMOUTH TOWNE SQUARE

For Year 2019

	Jan 31, 2019	Feb 28, 2019	Mar 31, 2019	Apr 30, 2019	May 31, 2019	Jun 30, 2019	Jul 31, 2019	Aug 31, 2019	Sep 30, 2019	Oct 31, 2019	Nov 30, 2019	Period End Dec 31, 2019	Period End Year To Date
INCOME													
APARTMENT RENTAL REVENUE	58,279	58,279	58,279	58,272	58,272	58,273	58,212	59,048	59,953	59,076	59,885	59,830	708,399
HRA INDIVIDUAL	15,417	15,417	15,417	15,417	15,417	15,417	15,417	15,417	15,417	15,417	15,417	15,417	185,000
GARAGE RENT	3,400	3,400	3,400	3,375	3,350	3,350	3,350	3,325	3,300	3,200	3,250	3,210	38,910
GUEST ROOM REVENUE	0	0	195	130	130	130	325	130	0	0	280	780	2,015
LAUNDRY REVENUE	918	798	822	938	860	836	836	858	925	519	881	815	10,073
APPLICATION FEE REVENUE	0	0	0	0	70	0	0	140	0	35	70	70	420
INVESTMENT INCOME	728	689	624	624	7,777	628	628	11,799	609	617	4,758	662	30,121
MISCELLANEOUS REVENUE	343	0	0	823	0	0	0	0	168	27	0	0	1,359
TOTAL INCOME	79,084	78,562	79,129	79,979	86,386	78,768	79,370	84,620	80,788	79,005	80,788	80,788	975,297
EXPENSES													
ADMINISTRATION													
MANAGER SALARIES/WAGES	4,793	4,367	4,825	4,659	4,825	4,825	4,669	4,825	4,825	4,825	4,825	4,669	56,578
PAYROLL TAXES	438	622	616	592	643	605	605	603	595	548	562	840	7,666
HEALTH INSURANCE	1,610	1,353	1,353	1,353	957	1,394	1,394	1,394	1,394	1,394	1,394	957	15,602
WORKERS COMP INSURANCE	120	120	120	120	180	120	120	120	120	120	69	173	1,500
MAINTENANCE SALARIES/WAGES	4,403	3,837	4,430	3,831	4,064	4,393	4,393	4,414	4,546	4,281	4,008	4,008	50,778
EMPLOYEE COSTS	60	80	80	80	120	80	80	80	80	80	120	120	1,040
CLASSIFIED ADVERTISING	420	0	0	0	0	0	0	0	0	0	0	0	420
BANK FEES	99	98	92	94	136	104	104	132	104	119	71	71	1,233
DUES, SUBS & MEMBERSHIPS	60	0	0	0	0	0	0	0	0	0	0	0	60
LICENSE & PERMITS	55	165	0	0	0	0	0	0	200	684	60	0	1,174
MILEAGE REIMBURSEMENT	52	32	109	65	52	63	63	71	41	46	26	96	708
POSTAGE/OVERNIGHT EXPRESS	50	0	0	55	0	0	0	0	0	55	0	0	180
MANAGEMENT FEES	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	4,840	58,080
PROFESSIONAL FEES	0	0	0	0	71	6,752	73	0	1,224	252	0	0	8,372
TELEPHONE EXPENSE	361	358	358	360	356	356	367	364	364	364	373	373	4,349
EQUIPMENT LEASE/REPAIR	59	96	120	104	324	64	206	343	396	386	1,088	1,088	3,649
OFFICE SUPPLIES	83	60	184	86	29	0	86	190	53	0	53	0	820
TOTAL ADMIN EXPENSES	17,523	16,028	17,128	16,351	16,798	23,440	19,202	17,616	16,839	17,702	16,839	17,702	212,189
LIFE ENRICHMENT													
RESIDENT PROGRAM/ACTIVITIES	79	654	165	675	243	252	84	864	361	1,752	361	1,587	6,835
TOTAL LIFE ENRICHMENT EXPENSES	79	654	165	675	243	252	84	864	361	1,752	361	1,587	6,835

Twelve Month Profit and Loss

PLYMOUTH TOWNE SQUARE

For Year 2019

	Period End Jan 31, 2019	Period End Feb 28, 2019	Period End Mar 31, 2019	Period End Apr 30, 2019	Period End May 31, 2019	Period End Jun 30, 2019	Period End Jul 31, 2019	Period End Aug 31, 2019	Period End Sep 30, 2019	Period End Oct 31, 2019	Period End Nov 30, 2019	Period End Dec 31, 2019	Period End Year To Date
HOUSEKEEPING													
CONTRACT LABOR	1,502	1,432	1,472	1,372	1,372	1,332	1,332	1,412	1,332	1,372	1,372	1,372	16,675
CLEANING SUPPLIES	54	369	93	272	55	0	48	473	54	232	178	100	1,927
TOTAL HOUSEKEEPING EXPENSES	1,556	1,802	1,565	1,644	1,427	1,332	1,380	1,885	1,386	1,604	1,550	1,472	18,601
BUILDING & GROUNDS													
CABLE TV EXPENSE	64	64	64	64	64	64	84	84	84	84	84	84	887
UTILITIES - ELECTRICITY	1,826	1,582	1,634	1,527	1,118	1,941	2,134	2,303	1,855	1,680	1,086	1,511	19,790
UTILITIES - GAS	3,467	3,963	2,687	1,626	1,118	665	531	463	456	979	2,034	2,669	20,679
UTILITIES - WATER/SEWER	1,465	1,964	1,729	1,857	1,793	1,392	1,975	1,701	1,838	1,934	1,756	1,540	20,974
WATER SOFTENING SERVICE	471	410	519	479	380	537	276	500	246	726	226	456	5,227
DOORS, KEYS & WINDOWS	480	12	23	150	5	0	225	0	585	405	0	11	1,875
FIRE SYSTEM SERVICE	410	210	210	210	1,110	210	688	290	2,584	753	210	392	7,263
LAWN SERVICE/LANDSCAPING/SNOW RMVL	2,130	9,270	3,680	1,265	1,340	1,005	955	7,505	955	1,530	2,705	4,604	36,944
PEST CONTROL	0	145	145	0	0	145	63	54	145	0	0	0	697
TRASH REMOVAL	1,019	864	1,088	1,084	1,072	1,184	866	1,181	1,079	953	1,224	1,122	12,716
UNIT TURNOVER REPAIRS	0	0	0	0	0	4,752	0	249	649	0	1,692	2,440	9,761
ELEVATOR-REPAIRS & MAINTENANCE	613	613	613	613	613	613	613	613	613	634	634	764	7,552
REPAIRS & MAINTENANCE	135	0	409	2,846	9,307	4,590	4,610	1,742	2,849	672	1,159	11,831	40,109
BUILDING & GROUNDS SUPPLIES	2,286	1,068	1,499	4,655	4,145	2,546	1,257	1,449	1,493	1,467	1,116	1,238	24,217
HVAC - REPAIRS & MAINTENANCE	1,670	265	979	8,284	893	409	679	1,417	1,319	771	704	923	18,314
TOTAL BUILDING & GROUNDS	16,015	20,471	15,280	24,560	22,418	20,013	14,927	19,550	16,770	12,598	14,641	29,683	227,025
OTHER OPERATING EXPENSES													
PROPERTY & LIABILITY INSURANCE	2,268	2,268	2,268	2,268	2,268	2,579	2,372	2,464	2,464	2,464	2,464	2,464	28,613
PAYMENT IN LIEU OF PROPERTY TAX	2,801	2,801	2,801	2,801	2,801	2,801	2,801	2,801	2,801	2,801	2,801	2,801	33,612
TOTAL OTHER OPERATING EXPENSES	5,069	5,069	5,069	5,069	5,069	5,380	5,173	5,265	5,265	5,265	5,265	5,265	62,225
TOTAL OPERATING EXPENSES	40,242	44,023	39,207	48,399	45,955	50,417	38,550	46,766	40,116	38,835	38,656	55,710	526,876
NET OPERATING INCOME / (LOSS)	38,841	34,539	39,923	31,580	40,431	28,351	52,166	32,604	38,774	45,785	42,132	23,295	448,421
DEPREC, INTEREST & OTHER													
DEPRECIATION EXPENSE	15,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750	15,750	189,000
AMORTIZATION EXPENSE	(527)	(527)	(527)	(527)	(527)	(527)	(527)	(527)	(527)	(527)	(527)	(527)	(6,324)
RESERVE/REPLACE CAPITAL EXPENSE	18,012	1,610	10,357	5,484	3,643	6,470	25,966	967	11,262	967	6,103	15,650	106,462
INTEREST EXPENSE	4,020	4,020	4,175	4,020	4,020	4,174	4,020	4,020	4,172	4,020	4,020	4,172	48,853
HRA SUBSIDY-TIF	(6,667)	(6,667)	(6,667)	(6,667)	(6,667)	(6,667)	(6,667)	(6,667)	(6,667)	(6,667)	(6,667)	(6,667)	(80,000)
TOTAL DEPREC, INTEREST & OTHER	30,588	14,186	23,088	18,060	16,220	19,201	38,532	13,543	23,990	13,543	18,680	28,378	258,011
NET INCOME / (LOSS)	8,253	20,352	16,834	13,520	24,211	9,151	13,634	19,060	14,784	32,242	23,453	(5,084)	190,410



Vicksburg Crossing

**MEMORANDUM****To: Jim Barnes****From: Sara Paquette****Date: December 11, 2019****RE: Vicksburg Crossing Monthly Report for November 2019****Rentals:**

As of November 30th, we have 95 occupied apartments with 0 vacant apartments, and we have 0 deposits at this time, giving us a total of 0 apartments available to rent. The affordable apartment waiting list now has 73 names and we have been adding interested people to the list. We have 36 people on our moderately priced 1 bedroom wait list and 32 people on our moderately priced 1+ and 2 bedroom wait list.

Style (Total #)	Square Feet	Bedrooms	Occupied	Vacant	Deposits	Est'd Move in
Style A (23)	850 Sq Ft	1 Bedroom	23	0	0	
Style C (8)	884 Sq Ft	1 + Den	8	0	0	
Style C2 (8)	950 Sq Ft	1 + Den	8	0	0	
Style D (8)	1187 Sq Ft	2 Bedroom	8	0	0	
Style D2 (4)	1281 Sq Ft	2 Bedroom	4	0	0	
Style E (8)	1055 Sq Ft	2 Bedroom	8	0	0	
Style E2 (3)	1055 Sq Ft	2 Bedroom	3	0	0	
Affordable (33)	725 Sq Ft	1 Bedroom	33	0	0	
TOTALS			95	0	0	

Move-Ins/Move-Outs:

We had two move ins this month both into our 2-bedroom style (E).

Marketing

We scheduled 3 tours this month. The inquiries and walk-in traffic slowed down considerably in November. I anticipate that trend to continue during the holidays and over the winter months.

Resident Services

Healthy Foot Care visits the building one Wednesday a month. Residents sign up and they provide a warm foot soak, nail trimming, foot massage and moisturizing and care for corns, calluses and hammer toes. The cost for residents is \$45.00.

Our monthly birthday party was on Thursday, November 21st. We decorate the room with birthday party decorations, festive napkins and plates. We list the birthday people on a poster and we sing Happy Birthday. We also give each resident a card on their birthday.

Building Issues

We had no building issues this month.

Balance Sheet

VICKSBURG CROSSING

As Of December 31, 2019

	Ending Balance	Total
ASSETS		
CURRENT ASSETS		
US BANK PETTY CASH	500	
US BANK OPER ACCT	1,364,023	
US BANK SEC DEP ACCT	72,241	
INVESTMENTS - WORKING CAPITAL FUND	787,881	
INVESTMENTS - DEBT SERVICE	(186,131)	
INTEREST RECEIVABLE	750	
PREPAID PROPERTY INSURANCE	12,914	
PREPAID WORKERS COMP INSUR	562	
PREPAID OTHER	5,256	
TOTAL CURRENT ASSETS		2,057,996
FIXED ASSETS		
LAND	874,593	
SITE IMPROVEMENTS	238,793	
BUILDING	9,025,427	
FURNITURE, FIXTURES & EQUIP-GENERAL	374,165	
COMPUTERS/OFFICE EQUIPMENT	8,680	
ACCUMULATED DEPRECIATION	(4,562,515)	
TOTAL FIXED ASSETS		5,959,143
NON-CURRENT ASSETS		
TOTAL ASSETS		8,017,139
LIABILITIES		
CURRENT LIABILITIES		
ACCOUNTS PAYABLE-TRADE	13,133	
PREPAID MONTHLY RENT	260	
ACCRUED PAYROLL	3,301	
ACCRUED COMPENSATED BALANCES	3,532	
ACCRUED INTEREST	96,792	
ACCRUED REAL ESTATE TAXES	59,987	
BONDS PAYABLE -2012 ST	440,000	
ACCRUED OTHER	675	
TOTAL CURRENT LIABILITIES		617,679
LONG-TERM LIABILITIES		
SECURITY DEPOSITS	71,339	
BOND PAYABLE-2012A	8,020,000	
BOND DISCOUNT-2012A	(18,700)	
TOTAL LIABILITIES		8,690,318
EQUITY		
NET INVESTMENTS IN CAPITAL ASSETS	(2,610,917)	
RESTRICTED FOR DEBT SERVICE	426,863	
UNRESTRICTED	1,313,533	
TOTAL EQUITY		(870,520)
CURRENT YEAR INCOME/(LOSS)		197,341
TOTAL LIABILITIES & EQUITY		8,017,139

Profit and Loss Variance

VICKSBURG CROSSING

Through December 31, 2019

	MTD Actual	Budget	Var.	YTD Actual	Budget	Var.	Year Budget
INCOME							
APARTMENT RENTAL REVENUE	102,976	99,300	3,676	1,199,413	1,180,000	19,413	1,180,000
APARTMENT RENTAL REVENUE - COUNTY	2,194	1,690	504	22,103	20,280	1,823	20,280
HRA SUBSIDY - TAX LEVY	4,587	4,587	0	55,000	55,000	0	55,000
GARAGE RENT	3,740	3,630	110	42,798	43,560	(762)	43,560
GUEST ROOM REVENUE	240	210	30	3,020	2,100	920	2,100
APPLICATION FEE REVENUE	35	35	0	525	420	105	420
TRANSFER FEE REVENUE	0	0	0	1,500	500	1,000	500
INVESTMENT INCOME	1,132	250	882	31,892	3,000	28,892	3,000
MISCELLANEOUS REVENUE	385	285	100	3,805	3,420	385	3,420
TOTAL INCOME	115,289	109,987	5,302	1,360,056	1,308,280	51,776	1,308,280
EXPENSES							
ADMINISTRATION							
MANAGER SALARIES	5,709	5,250	(459)	63,489	63,000	(489)	63,000
PAYROLL TAXES	846	929	83	8,572	11,148	2,576	11,148
HEALTH INSURANCE	49	1,517	1,468	14,578	18,248	3,670	18,248
WORKERS COMP INSURANCE	110	140	30	1,452	1,680	228	1,680
MAINTENANCE SALARIES/WAGES	2,392	4,529	2,137	55,295	54,348	(947)	54,348
EMPLOYEE COSTS	80	120	40	1,040	1,125	85	1,125
SEMINAR/TRAINING	0	0	0	28	200	172	200
CLASSIFIED ADVERTISING	0	0	0	424	0	(424)	0
BANK FEES	78	50	(28)	1,226	600	(626)	600
DUES, SUBS & MEMBERSHIPS	0	0	0	60	65	5	65
LICENSE & PERMITS	0	0	0	876	906	30	906
MILEAGE REIMBURSEMENT	119	57	(62)	707	682	(25)	682
POSTAGE/OVERNIGHT EXPRESS	2	15	13	112	180	68	180
PRINTING	0	9	9	68	108	40	108
MANAGEMENT FEES	4,480	4,480	0	53,760	53,760	0	53,760
PROFESSIONAL FEES	0	223	223	1,476	2,676	1,200	2,676
TELEPHONE EXPENSE	449	415	(34)	5,251	4,980	(271)	4,980
EQUIPMENT LEASE/REPAIR	79	179	100	3,367	2,148	(1,219)	2,148
OFFICE SUPPLIES	89	105	16	1,828	1,260	(568)	1,260
TOTAL ADMIN EXPENSES	14,482	18,018	3,536	213,608	217,114	3,506	217,114
LIFE ENRICHMENT							
RESIDENT PROGRAM/ACTIVITIES	1,811	2,100	289	6,587	6,000	(587)	6,000
TOTAL LIFE ENRICHMENT EXPENSES	1,811	2,100	289	6,587	6,000	(587)	6,000

Profit and Loss Variance

VICKSBURG CROSSING

Through December 31, 2019

	MTD Actual	Budget	Var.	YTD Actual	Budget	Var.	Year Budget
MARKETING							
ADVERTISING	0	0	0	1,123	1,200	77	1,200
TOTAL MARKETING EXPENSES	0	0	0	1,123	1,200	77	1,200
HOUSEKEEPING							
CONTRACT LABOR	1,001	1,275	274	12,905	13,690	785	13,690
CLEANING SUPPLIES	244	195	(49)	1,585	2,340	755	2,340
TOTAL HOUSEKEEPING EXPENSES	1,244	1,470	226	14,490	16,030	1,540	16,030
BUILDING & GROUNDS							
CABLE TV EXPENSE	193	172	(21)	2,206	2,084	(122)	2,084
UTILITIES - ELECTRICITY	1,369	1,700	331	19,639	23,970	4,331	23,970
UTILITIES - GAS	3,134	3,500	366	20,939	24,500	3,561	24,500
UTILITIES - WATER/SEWER	1,135	1,250	115	14,996	15,850	854	15,850
WATER SOFTENING SERVICE	107	165	58	868	1,980	1,112	1,980
DOORS, KEYS & WINDOWS	163	162	(1)	921	1,944	1,023	1,944
FIRE SYSTEM SERVICE	55	180	125	3,468	6,570	3,102	6,570
LAWN SERVICE/LANDSCAP/SNOW RMVL	3,928	1,900	(2,028)	27,515	22,500	(5,015)	22,500
PEST CONTROL	0	175	175	464	845	381	845
TRASH REMOVAL	1,041	950	(91)	12,547	11,400	(1,147)	11,400
UNIT TURNOVER REPAIRS	2,170	4,355	2,185	65,377	52,260	(13,117)	52,260
ELEVATOR-REPAIRS & MAINTENANCE	502	603	101	11,129	7,236	(3,893)	7,236
REPAIRS & MAINTENANCE	881	2,500	1,619	26,989	25,100	(1,889)	25,100
BUILDING & GROUNDS SUPPLIES	1,998	1,500	(498)	16,225	18,000	1,775	18,000
HVAC - REPAIRS & MAINTENANCE	248	500	253	7,588	13,500	5,912	13,500
MISCELLANEOUS B & G EXPENSES	0	834	834	0	10,000	10,000	10,000
TOTAL BUILDING & GROUNDS	16,922	20,446	3,524	230,871	237,739	6,868	237,739
OTHER OPERATING EXPENSES							
PROPERTY & LIABILITY INSURANCE	2,565	2,597	32	29,778	30,766	988	30,766
PAYMENT IN LIEU OF PROPERTY TAX	4,999	4,965	(34)	59,987	59,525	(462)	59,525
TOTAL OTHER OPERATING EXPENSES	7,564	7,562	(2)	89,765	90,291	526	90,291
TOTAL OPERATING EXPENSES	42,022	49,596	7,574	556,443	568,374	11,931	568,374
NET OPERATING INCOME / (LOSS)	73,267	60,391	12,876	803,613	739,906	63,707	739,906
DEPREC, INTEREST & OTHER							
DEPRECIATION EXPENSE	25,413	25,413	0	305,000	305,000	0	305,000
AMORTIZATION EXPENSE	107	107	0	1,240	1,240	0	1,240
RESERVE/REPLACE CAPITAL EXPENSE	0	4,663	4,663	71,436	56,000	(15,436)	56,000
INTEREST EXPENSE	19,160	18,994	(166)	228,595	227,950	(645)	227,950
TOTAL DEPREC, INTEREST & OTHER	44,680	49,177	4,497	606,271	590,190	(16,081)	590,190
NET INCOME / (LOSS)	28,587	11,214	17,373	197,341	149,716	47,625	149,716

Twelve Month Profit and Loss

VICKSBURG CROSSING

For Year 2019

	Period End Jan 31, 2019	Period End Feb 28, 2019	Period End Mar 31, 2019	Period End Apr 30, 2019	Period End May 31, 2019	Period End Jun 30, 2019	Period End Jul 31, 2019	Period End Aug 31, 2019	Period End Sep 30, 2019	Period End Oct 31, 2019	Period End Nov 30, 2019	Period End Dec 31, 2019	Period End Year To Date
INCOME													
APARTMENT RENTAL REVENUE	98,479	98,269	96,719	99,509	100,604	100,284	99,619	100,589	100,873	89,366	102,116	102,976	1,199,413
APARTMENT RENTAL REVENUE - COUNTY	1,736	1,736	1,736	1,736	1,736	1,736	1,736	1,736	1,662	2,165	2,194	2,194	22,103
HRA SUBSIDY - TAX LEVY	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,583	4,587	55,000
GARAGE RENT	3,410	3,435	3,445	3,465	3,513	3,545	3,580	3,610	3,635	3,660	3,740	3,740	42,798
GUEST ROOM REVENUE	0	0	180	0	420	490	550	0	720	420	0	240	42,798
APPLICATION FEE REVENUE	0	70	70	0	70	0	70	0	0	140	0	35	525
TRANSFER FEE REVENUE	0	500	500	500	0	0	0	0	0	0	0	0	1,500
INVESTMENT INCOME	1,919	1,389	982	1,060	6,756	1,085	9,760	1,015	1,056	4,739	1,030	1,132	31,892
MISCELLANEOUS REVENUE	443	275	405	240	300	250	298	419	250	290	280	385	3,895
TOTAL INCOME	110,570	110,257	108,620	111,113	117,982	111,943	120,166	111,962	112,849	115,363	113,943	115,289	1,360,056
EXPENSES													
ADMINISTRATION													
MANAGER SALARIES	5,327	4,657	5,365	5,192	5,365	5,192	5,365	5,365	5,192	5,365	5,192	5,709	63,489
PAYROLL TAXES	406	691	740	710	999	665	573	537	610	875	920	846	8,572
HEALTH INSURANCE	1,879	1,588	1,588	1,588	972	1,587	1,598	1,597	1,597	520	3	49	14,578
WORKERS COMP INSURANCE	142	114	114	114	171	114	114	114	114	114	115	110	1,452
MAINTENANCE SALARIES/WAGES	3,594	4,905	5,513	5,170	5,004	4,833	3,808	3,448	6,625	5,613	4,202	2,382	55,285
EMPLOYEE COSTS	80	80	80	80	120	80	80	80	80	80	120	80	1,040
SEMINAR/TRAINING	0	0	0	0	0	0	0	0	0	28	0	0	28
CLASSIFIED ADVERTISING	424	0	0	0	0	0	0	0	0	0	0	0	424
BANK FEES	92	96	95	94	121	118	151	99	96	113	72	78	1,226
DOES, SUBS & MEMBERSHIPS	0	0	0	0	0	0	60	0	0	0	0	0	60
LICENSE & PERMITS	676	0	0	0	0	200	0	0	0	0	0	0	876
MILEAGE REIMBURSEMENT	52	58	83	41	52	63	71	41	55	46	26	119	707
POSTAGE/OVERNIGHT EXPRESS	7	17	7	11	12	19	10	0	18	5	5	2	112
PRINTING	0	0	0	0	68	0	0	0	0	0	0	0	68
MANAGEMENT FEES	4,480	4,480	4,480	4,480	4,480	4,480	4,480	4,480	4,480	4,480	4,480	4,480	53,760
PROFESSIONAL FEES	27	0	92	0	25	0	25	1,157	25	0	125	0	1,476
TELEPHONE EXPENSE	433	432	433	431	435	435	439	439	439	439	449	449	5,251
EQUIPMENT LEASE/REPAIR	198	78	233	328	241	73	73	153	813	819	279	79	3,367
OFFICE SUPPLIES	224	374	0	236	140	0	179	103	6	353	124	89	1,828
TOTAL ADMIN EXPENSES	18,031	17,770	18,824	18,475	18,203	17,868	17,027	17,614	20,152	19,052	16,111	14,482	213,608
LIFE ENRICHMENT													
RESIDENT PROGRAM/ACTIVITIES	154	1,032	233	252	327	305	373	581	220	897	402	1,811	6,587
TOTAL LIFE ENRICHMENT EXPENSES	154	1,032	233	252	327	305	373	581	220	897	402	1,811	6,587

Twelve Month Profit and Loss

VICKSBURG CROSSING For Year 2019

	Period End Jan 31, 2019	Period End Feb 28, 2019	Period End Mar 31, 2019	Period End Apr 30, 2019	Period End May 31, 2019	Period End Jun 30, 2019	Period End Jul 31, 2019	Period End Aug 31, 2019	Period End Sep 30, 2019	Period End Oct 31, 2019	Period End Nov 30, 2019	Period End Dec 31, 2019	Period End Year To Date
MARKETING													
ADVERTISING	425	0	0	0	0	0	0	698	0	0	0	0	1,123
TOTAL MARKETING EXPENSES	425	0	0	0	0	0	0	698	0	0	0	0	1,123
HOUSEKEEPING													
CONTRACT LABOR	1,025	1,025	1,397	1,019	1,001	1,001	1,001	1,001	1,001	1,193	1,243	1,001	12,905
CLEANING SUPPLIES	356	117	19	52	228	0	258	42	106	37	127	244	1,585
TOTAL HOUSEKEEPING EXPENSES	1,381	1,142	1,416	1,070	1,229	1,001	1,259	1,042	1,107	1,229	1,370	1,244	14,490
BUILDING & GROUNDS													
CABLE TV EXPENSE	172	172	172	172	175	187	193	193	193	193	193	193	2,206
UTILITIES - ELECTRICITY	1,901	1,960	1,794	1,513	646	1,677	1,969	2,149	1,734	1,550	1,377	1,369	19,639
UTILITIES - GAS	3,956	4,715	3,222	1,132	712	475	387	376	350	585	1,867	3,134	20,939
UTILITIES - WATER/SEWER	1,235	1,067	1,151	1,258	1,204	1,206	1,518	1,320	1,419	1,192	1,281	1,135	14,996
WATER SOFTENING SERVICE	0	165	161	0	0	121	0	114	87	112	0	107	868
DOORS, KEYS & WINDOWS	0	5	117	0	26	0	209	218	90	0	94	163	921
FIRE SYSTEM SERVICE	53	153	1,123	953	586	53	53	53	262	53	55	55	3,468
LAWN SERVICE/LANDSCAPING/SNOW RMVL	1,440	6,675	1,140	1,080	1,134	4,715	1,532	1,215	1,204	1,376	2,075	3,928	27,515
PEST CONTROL	0	0	159	0	0	0	153	0	153	0	0	0	484
TRASH REMOVAL	883	883	883	1,262	924	955	864	1,038	1,736	1,038	1,038	1,041	12,547
UNIT TURNOVER REPAIRS	4,736	6,487	8,931	3,137	4,719	75	10,061	5,837	4,158	10,826	4,239	1,041	65,377
ELEVATOR REPAIRS & MAINTENANCE	5,610	502	502	502	502	502	502	502	502	502	502	502	11,129
REPAIRS & MAINTENANCE	1,148	0	0	5,936	2,618	700	3,427	295	8,950	2,516	516	881	26,969
BUILDING & GROUNDS SUPPLIES	511	2,216	2,136	1,034	1,113	2,379	998	510	542	1,148	1,638	1,998	16,225
HVAC - REPAIRS & MAINTENANCE	225	1,397	533	225	225	225	225	2,201	225	1,612	248	248	7,588
TOTAL BUILDING & GROUNDS	21,871	26,397	22,022	18,203	14,564	13,269	22,100	16,022	21,625	22,705	15,151	16,922	230,871
OTHER OPERATING EXPENSES													
PROPERTY & LIABILITY INSURANCE	2,360	2,360	2,360	2,360	2,360	2,685	2,468	2,565	2,565	2,565	2,565	2,565	29,778
PAYMENT IN LIEU OF PROPERTY TAX	4,999	4,999	4,999	4,999	4,999	4,999	4,999	4,999	4,999	4,999	4,999	4,999	59,987
TOTAL OTHER OPERATING EXPENSES	7,359	7,359	7,359	7,359	7,359	7,683	7,467	7,564	7,564	7,564	7,564	7,564	89,765
TOTAL OPERATING EXPENSES	49,221	53,700	49,854	45,360	41,702	40,127	48,225	43,521	50,668	51,446	40,958	42,022	556,443
NET OPERATING INCOME / (LOSS)	61,348	56,557	58,766	65,754	76,280	71,816	71,941	68,441	62,181	63,917	73,345	73,267	803,613
DEPRECIATION, INTEREST & OTHER													
DEPRECIATION EXPENSE	25,417	25,417	25,417	25,417	25,417	25,417	25,417	25,417	25,417	25,417	25,417	25,413	305,000
AMORTIZATION EXPENSE	103	103	103	103	103	103	103	103	103	103	103	107	1,240
RESERVE/REPLACE CAPITAL EXPENSE	10,483	332	319	646	1,022	14,257	466	23,214	20,697	0	0	0	71,436
INTEREST EXPENSE	18,996	18,996	18,996	18,996	18,996	18,996	18,996	18,996	18,996	18,996	18,996	19,160	228,585
TOTAL DEPRECIATION, INTEREST & OTHER	54,999	44,848	44,994	45,162	45,538	58,933	44,982	67,730	65,373	44,516	44,516	44,680	606,271
NET INCOME / (LOSS)	6,349	11,709	13,772	20,591	30,741	12,883	26,959	711	(3,192)	19,401	28,829	28,587	197,341

**PLYMOUTH HOUSING AND
REDEVELOPMENT AUTHORITY
STAFF REPORT**

TO: Plymouth Housing and Redevelopment Authority

FROM: Matt Lupini, Community Development Coordinator through Jim Barnes,
HRA Manager & Steve Juetten, Executive Director

MEETING DATE: January 23, 2020

SUBJECT: **HRA Emergency Repair Programs** – Increase maximum assistance.

BACKGROUND:

The Plymouth Housing and Redevelopment Authority (HRA) operates the Emergency Repair program that is funded with Community Development Block Grant (CDBG) funds for repair grants, and with set aside HRA General funds for loans. From time to time, staff reviews the program guidelines to ensure consistency and compliance with applicable laws and regulations. The guidelines were last revised in July 2012.

Staff has completed a review of the guidelines and recommends some updates that are discussed below. The Program Summary documents for both the Grant and Loan fund programs are attached for your review.

DISCUSSION:

Proposed Changes to the Emergency Repair Programs:

1. Amount of Assistance

Presently, homeowners may receive a grant or loan of up to \$5,000 per home to make eligible emergency repairs. Projects that exceed the maximum grant or loan amount may apply for a Housing Rehabilitation Loan, pay for additional costs out of pocket, or request a waiver from the HRA Executive Director. Grants do not require payback by the homeowner, but a household may only receive 1 Emergency Repair Grant as long as they occupy the home. Loans have an interest rate that varies depending on the term length – 3% interest if paid off in 3 years or 4% interest if paid off in 5 years. As long as adequate CDBG funds are available, applicants who qualify for the Emergency Repair Program are offered a grant. Loans are only offered to applicants if the balance of CDBG funds would not cover the extent of repairs needed, and come from the HRA General Fund reserves.

Since 2013, there have been 15 Emergency Repair grants made. 3 of these grants exceeded \$5,000 and required a waiver from the HRA Executive Director. There have not been any Emergency Repair loans made in the same time period.

In May of 2019, staff brought proposed changes to the maximum amount of assistance for homeowners in the Home Rehabilitation program before the HRA Board of Commissioners. At that time, the HRA approved an increase in the maximum loan from \$30,000 per household to \$40,000 per household to account for increasing labor and material costs. These costs should be considered in a review of the Emergency Repair program as well.

Staff recommends increasing the maximum amount of assistance through Emergency Repair Program to \$7,500 on the basis of trends in the construction industry that necessitate more expensive projects, a number of waivers granted to allow projects that exceed the maximum grant, and to keep the program consistent with the increased assistance recently made available through the Home Rehabilitation loan program.

2. Formatting & Language

Miscellaneous formatting corrections and changes to outdated and/or redundant language have been made throughout the document. These edits do not change the administration or guidelines of the programs.

BUDGET IMPACT:

Funding for the Emergency Repair Grant comes from the federal CDBG program, so there is no impact to local funding. However, raising the maximum grant amount may impact the number of emergency repair projects completed within a program year. The Emergency Repair Loan receives funding through a pool of set aside HRA General Funds. Staff is not recommending altering this pool, but raising the maximum assistance may decrease the total number of projects that may be completed with the existing funding.

RECOMMENDATION:

Staff recommends that the Housing and Redevelopment Board of Commissioners approve the proposed changes to the Emergency Repair Programs.

ATTACHMENTS:

1. Emergency Repair Grant Program Summary
2. Emergency Repair Loan Program Summary



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Emergency Repair Program Summary

The Emergency Repair Program is a pool of funds set aside within the Plymouth HRA Community Development Block Grant (CDBG) funded Housing Rehabilitation Deferred Loan Program to be used for small and emergency repairs for qualifying seniors. The program allows a maximum of ~~\$5,000~~\$7,500 per home in funds for emergency and small repairs to allow an eligible homeowner to complete eligible repairs without requiring an application to the full Rehabilitation Program. Applications may be submitted by nonprofit agencies on behalf of eligible homeowners or directly by homeowners to the HRA.

Eligibility Requirements

Eligible Grantee: Persons who are over the age of 55 and own their own home.

Eligible Dwellings: Only owner-occupied homes in Plymouth are eligible. The following dwellings are allowed: single family detached, town-home, condo, and owner- occupied portion of a duplex. Mobile homes on permanent foundations located on land owned by the owner will be allowed if the home is taxed as real property. Mobile homes on land leased by the homeowner are not eligible.

Income Limits: Applicants must have total household incomes of 80% or less of the area median income, adjusted by household size as determined by HUD. See attachment A for current income limits.

Asset Limits: Gross Assets must not exceed \$25,000, which excludes one automobile. Gross Assets include the cash value of accounts such as money-market accounts, personal savings accounts, checking accounts, investment securities, stock, current market value of all interest in real estate (other than the property to be improved), annuities, life insurance policies, and certificate of deposits. Typically, it does not include 401K funds, pensions, or other deferred compensation funds.

Maximum Grant Amount: The maximum program amount is a one-time grant of up to ~~\$5,000~~\$7,500 per home. If the cost of the repairs exceeds ~~\$5,000~~\$7,500, the homeowner can either apply for a Plymouth Housing Rehabilitation Deferred Loan for the entire cost of eligible repairs or pay for any additional costs with other funds. The Emergency Repair Program cannot be combined with a Plymouth Housing Rehabilitation Deferred Loan. The HRA Executive Director may approve a waiver of the maximum grant amount at their discretion.

Eligible Repairs: Emergency repairs of up to ~~\$5,000~~\$7,500 in situations where a condition requiring immediate and urgent attention, which threatens or imperils the health and/or safety of the applicant household, such as the repair or replacement of a failed plumbing, heating and electrical systems or a system being “red flagged” by a utility company. Urgent plumbing, electrical, sewer, and roof repairs will also be considered. Other repairs may be eligible if they are necessary to correct immediate health or safety risks.

Small non-emergency repairs of less ~~\$5,000~~\$7,500 will be allowed if required to allow a homeowner to remain in their home or if circumstances exist where it is not reasonable to complete a full rehab. Examples of non-emergency repairs allowed are: stair repair, installation of grab bars, handrails, or other minor accessibility repairs. Other repairs may be allowed at the discretion of the HRA. Cosmetic or non-essential repairs are not allowed. If other health and safety hazards exist in the home, they must also be addressed in addition to the work requested by the homeowner.

Application Process: Applications will be accepted on first come, first served basis until funds are exhausted. Applications may be submitted to the HRA directly from an eligible homeowner or through a nonprofit approved by the HRA. If appropriate, the HRA may refer individual applicants to a nonprofit for assistance with the repair work or other social services. Applications resulting from such referrals are to be processed through the nonprofit. Applications must contain relevant household information, information on the repair needed, income certification, and data necessary for HUD reporting.

Nonprofits applying on behalf of a client should follow the following steps:

1. Submit a completed application form to the HRA. The nonprofit will verify the repair needs, check the home for other apparent health and safety hazards, and provide information on the necessary repairs and estimated costs to the HRA.
2. The HRA will advise the nonprofit of the availability of funds and reserve funds for the necessary repairs based on an estimate provided by the nonprofit.
3. The nonprofit will assist the client with rehab advisory services and will obtain two written quotes. In the case of emergencies, one quote is adequate. In cases where the nonprofit staff or volunteers perform the service, quotes are not required unless the cost of materials exceeds \$1,000.
4. The nonprofit will submit a request for reimbursement to the HRA for the repair costs. Reimbursement will be made directly to the nonprofit. A ‘program delivery cost’ fee may also be added to the repair costs for provision of rehab advisory services as needed and must be submitted with the reimbursement request. A maximum of 5% of the repair cost may be allowed -for the program -delivery cost. The program delivery cost will be included in the ~~\$5,000~~\$7,500 grant cap.

Please direct questions to Matt Lupini, Community Development Coordinator at 763-509-5413 - or mlupini@plymouthmn.gov.



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Emergency Repair Loan Fund Program Summary

The purpose of the Emergency Repair Loan Program is to provide assistance to Plymouth residents who are facing the unexpected financial burden of a needed repair. The Emergency Repair Loan Program is a pool of funds set aside within the Plymouth HRA funded by the HRA General Fund to be used for small and emergency repairs for qualifying households. The program allows a maximum of ~~\$5,000~~\$5,000 per home in Loan funds for emergency and small repairs to allow an eligible homeowner to complete eligible repairs without requiring a full scale rehab. Applications may be submitted directly by homeowners to the HRA.

Eligibility Requirements

Eligible Applicant: Households that meet the income guidelines, do not have liquid assets available to cover the cost of the emergency repair and own their home.

The applicant must be current on all mortgage payments, contract for deed payments, homeowner's association dues and property taxes on the property to be improved. If any of these payments are delinquent, they must be made current before the application can be approved for funding. In addition, there shall be no outstanding mechanics liens filed against the property.

Eligible Dwellings: Only owner-occupied homes in Plymouth are eligible. The following dwellings are allowed: single family detached, town-home, condo, and owner-occupied portion of a duplex. Mobile homes on permanent foundations located on land owned by the owner will be allowed if the home is taxed as real property. Mobile homes on land leased by the homeowner are not eligible.

Income Limits: Applicants must have total household incomes at or below the area median income for a four-person household in the Twin Cities seven county metro area, as determined by HUD. See Attachment A for current income limits.

Maximum Loan Amount: The maximum Loan amount is a one-time Loan of up to ~~\$5,000~~\$5,000 per home. If the cost of the repairs exceeds ~~\$5,000~~\$5,000, the homeowner would be required to pay for any additional costs with other funds. Emergency Repair Loans cannot be combined with a Plymouth Housing Rehabilitation Deferred Loan. The HRA Executive Director may approve a waiver of the maximum loan amount at their discretion.

Loan Terms: The terms of the Emergency Repair Loan Program has two different options. Loan agreements are written based on what terms the applicants choose. The interest rate will vary depending upon the term length: Three percent interest rate if paid off in three years or a four percent interest rate if paid off in five years. The maximum loan amount is capped at ~~\$5,000.00~~7,500

Eligible Repairs: Emergency repairs of up to ~~\$5,000~~7,500 in situations where a condition requiring immediate and urgent attention, which threatens or imperils the health and/or safety of the applicant household. Such as the repair or replacement of a failed plumbing, heating or electrical system. In addition, a system being “red flagged” by a utility company (for example: furnaces, water heaters, air conditioners, etc.) Urgent plumbing, electrical, sewer, and roof repairs will also be considered. Other repairs may be eligible if they are necessary to correct immediate health or safety risks.

Other repairs may be allowed at the discretion of the HRA Loan Administrator. Cosmetic or non-essential repairs are not allowed. If other health and safety hazards exist in the home, they must also be addressed in addition to the work requested by the homeowner.

Application Process: Applications will be accepted on first come, first served basis until the fund is exhausted. Applications may be submitted to the HRA directly from an eligible homeowner. Applications must contain relevant household information, information on the repair needed, income certification, and data necessary for eligibility determination.

In addition to the application, applicants will be required to submit:

1. Complete tax returns from the past three years
2. Two months most current bank statements from all accounts (checking, savings, etc.)
3. Most recent mortgage statement showing current balance and payment status (statements on any other liens on the property as well)
4. Any additional information such as SSI, child support payments received, rental income, etc.
5. Copy of latest homeowners insurance
6. Copy of latest property tax statement
7. Letter from association indicating that dues are current (if applicable)
8. Complete an Authorization to Release Information form

Work Completion Process: Once eligibility to participate is determined, applicants would get a minimum of two bids for the eligible repair, the improvement would be made by a private contractor, payment would be made by the Plymouth HRA and the property owner would enter into an agreement for repayment of the loan.

Direct questions to Matt Lupini, Community Development Coordinator at (763) 509-5413.

**PLYMOUTH HOUSING AND
REDEVELOPMENT AUTHORITY
STAFF REPORT**

TO: Plymouth Housing and Redevelopment Authority

FROM: Matt Lupini, Community Development Coordinator through Jim Barnes,
HRA Manager & Steve Juetten, Executive Director

MEETING DATE: January 23, 2020

SUBJECT: **HRA Housing Rehabilitation & First Time Homebuyer Programs –
Amend Procedural Guidelines**

BACKGROUND:

The Plymouth Housing and Redevelopment Authority (HRA) operates the Housing Rehabilitation (Rehab) and First Time Homebuyer (FTHB) programs that are funded through Community Development Block Grant (CDBG) funds. From time to time, staff reviews the program guidelines to ensure consistency and compliance with applicable laws and regulations. The guidelines for the programs were last updated in April and May of 2019, respectively.

Staff has completed a review of the guidelines and recommends some updates that are discussed below. The Procedural Guidelines document is attached for your review.

DISCUSSION:

Proposed Changes to the Housing Rehabilitation Program:

1. Asset Definition

Presently, applicants for a Rehab loan must demonstrate their assets do not exceed \$25,000. Assets include cash value of accounts such as money market, checking and savings, as well as real estate interests, annuities, life insurance policies, certificates of deposit, etc. The program has historically excluded the market value of 1 automobile from the calculation of total assets. While this policy has not impacted any applicants in the past year, a household could easily be denied a loan if, for example, they have 1 adult child living in the home who owns their own car and drives to work. As a suburban community, Plymouth's workforce is relatively dependent on cars, and low- and moderate-income households should not be penalized for having multiple working adults in the home.

Staff recommends changing the automobile exclusion from the calculation of total assets in the Rehab program from 1 per household to 1 per adult permanently residing in the home.

2. Equity Limit

Program guidelines currently stipulate applicants whose home equity exceeds the greater of 20% of the assessed property value or \$20,000 shall not be eligible for the program. The HRA Executive Director may approve a waiver of the equity limit at their discretion, based on a number of criteria. In the 2018 and 2019 program years to date, staff approved 8 new Rehab loans. Of those, 6 required a waiver due to the homeowners not meeting the equity limits. While those applications were approved primarily on the basis of the availability of funds, staff believes the equity limit may reduce the accessibility of the Rehab program to those homeowners who are retired or otherwise on a fixed income and have paid off the majority of their mortgage.

Staff recommends changing the equity limit requirement to allow homeowners aged 55 and older and/or those on a fixed income to be exempt from the equity limit requirement.

3. Formatting & Language

Miscellaneous formatting corrections and changes to outdated and/or redundant language have been made throughout the document. These edits do not change the administration or guidelines of the program.

Proposed Changes to the First Time Homebuyer Program:

1. Asset Definition

Similarly to the Rehab program, applicants for a FTHB loan must demonstrate their assets do not exceed \$25,000. The same asset definition is used for both programs. Staff recommends changing the automobile exclusion from the calculation of total assets in the FTHB program from 1 per household to 1 per adult permanently residing in the home.

2. Formatting & Language

Miscellaneous formatting corrections and changes to outdated and/or redundant language have been made throughout the document. These edits do not change the administration or guidelines of the program.

BUDGET IMPACT:

There would be no budgetary impact as a result of any proposed change to the Rehab or FTHB programs.

RECOMMENDATION:

Staff recommends that the Housing and Redevelopment Board of Commissioners approve the proposed changes to the Housing Rehabilitation and First Time Homebuyer Procedural Guidelines.

ATTACHMENTS:

1. Housing Rehabilitation Program Guidelines
2. First Time Homebuyer Program Guidelines

Plymouth HRA

Housing Rehabilitation Program



PROCEDURAL GUIDELINES



Adopted by the Plymouth Housing & Redevelopment Authority

Revised ~~April 2019~~ January 2020

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PART I: GENERAL PROGRAM DESCRIPTION

Program Overview

Plymouth's Housing Rehabilitation Program is available to low and moderate-income households to maintain, repair, and improve their homes. As the Plymouth Housing and Redevelopment Authority (HRA) administers the program with funds appropriated from the Community Development Block Grant Program (CDBG), the program will follow CDBG regulations.

There are two types of housing rehabilitation assistance available to eligible homeowners, deferred loans and emergency repair grants. A limited amount of funds are available for each program and applications are accepted on a first come first served basis.

The deferred loan program allows applicants to receive up to \$40,000.00 in a deferred, zero interest loan to make eligible home improvements to comply with minimum housing quality standards. Loans must be 100% repaid if the home is sold, transferred, or no longer homesteaded within 10 years. After 10 years the loan principal declines 10% a year until it is forgiven after 20 years.

An emergency repair grant allows income qualifying seniors a maximum of ~~\$5,000~~\$7,500.00 in grant funds to be used for emergency repairs. Emergency repairs include such items as the repair or replacement of failed plumbing, heating and electrical systems. The purpose of an emergency repair grant is to allow the homeowners to complete eligible repairs without completing a full-scale rehabilitation project and signing a long-term repayment agreement. Applications may be submitted by non-profit agencies on behalf of eligible homeowners or directly by homeowners to the Housing and Redevelopment Authority (HRA).

Program Goals

The overall goal of this Housing Rehabilitation Program is to improve the safety, livability, and the energy efficiency of homes owned by low and moderate-income families within the City of Plymouth. Additional housing rehabilitation assistance goals have been established for the City of Plymouth in its Consolidated Plan. According to these goals, for a property to be counted as meeting the housing rehabilitation standards of the City of Plymouth, the home must be determined to be substandard and upon completion of rehabilitation meet minimum Section 8 housing quality standards pursuant to 24 CFR, as follows:

Dwellings improved under this program shall generally meet the performance requirements and acceptability criteria set forth in this section except for such variations as are proposed by the HRA and approved by HUD. Local climatic or geological conditions or local codes are examples, which may justify such variations.

Program Administration

This Program will be administered by the Plymouth HRA, which has been given the authority to administer this Program by the Plymouth City Council. Funding of this Program is provided through the Department of Housing and Urban Development (HUD) as part of the Community Development Block Grant (CDBG) program. This Program will follow all applicable CDBG regulations and in the event policies included in this Guidelines conflict with CDBG regulations, the CDBG regulations will prevail.

Purpose of the Program Guidelines

The purpose of these Guidelines is to establish policies for carrying out the Housing Rehabilitation Program in a manner consistent with HUD requirements and local goals and objectives contained in the Consolidated Plan and Annual Action Plan. The HRA is responsible for complying with all changes in HUD regulations pertaining to the CDBG program. If such changes conflict with these Guidelines, as previously stated HUD regulations will have precedence. Applicable regulations include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 570: Community Development Block Grant
- 24 CFR Part 35: Lead-Based Paint Regulations

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PART II: PROGRAM POLICIES

Responsibilities of the Homeowner

- Complete, sign and submit the housing rehabilitation application as well as all additional required supporting documentation
- Inform the HRA about any changes in their application or project
- Meet program deadlines
- Set-up initial meeting with HRA staff
- Set-up initial inspection with HRA inspector
- Review the Scope of Work
- Obtain bids and submit the bids to the HRA within 30 days of loan approval. Bids and bidding process must adhere to cost reasonableness standards described on page 35 of this document.
- Make house accessible to contractors
- Inform HRA of any issues related to work or changes in the scope
- Inform the HRA when contractors have completed work
- Sign Completion Certificate when they are satisfied with the work completed

Responsibilities of the HRA

- Outreach and Public Information

The HRA will be responsible for the promotion of the Housing Rehabilitation Program within its boundaries. The HRA will exercise care in avoiding any advertising or outreach method that may be deemed to systematically exclude potentially eligible applicants. Access to program materials will not be denied to any person for any reason.

The HRA will market its own and other available home rehabilitation, energy reduction and other home improvement and maintenance programs. Some possible marketing activities that may be used are:

1. Regular promotions in the City's newsletter, area newspapers, and cable TV.
2. Program advertising (brochures/flyers) of HRA and other available programs at banks, community centers, businesses that sell home improvement items, businesses with high walk-in traffic, and City Hall.
3. Staff a booth at area remodeling fairs.
4. Post on the City of Plymouth's web site.

The program will include affirmative marketing efforts. The HRA will review its normal outreach methods from time-to-time to ensure that the loan program is made available to persons who otherwise might not apply for assistance.

- Inspection of Properties

The HRA is responsible for carrying out a minimum of two inspections of each approved property. The first inspection shall be completed after the applicant is determined to be eligible for the program. During this inspection a property inspection report will be completed that will list all deficiencies in the dwelling and will be used to determine whether sufficient funds are available to render the dwelling reasonably habitable, safe and energy efficient. If the home was built before 1978 it will also be inspected for lead based paint hazards and if required, a lead risk assessment will be ordered.

The second inspection shall take place after the work is finished to determine that all work has been completed in a satisfactory manner consistent with these guidelines, the scope of improvements and the contractors quote.

The HRA may conduct interim inspections of the property as necessary.

- Preparation of Scope of Improvements/ Work Proposal

The scope of improvements is based on the property inspection report and shall list all of the eligible improvements that will be completed. The HRA will provide the homeowner with copies of the scope of improvements. The scope will be prioritized based on the urgency of the repairs. The repairs must be completed in the order reflected on the scope of improvements.

- Additional Assistance Programs

To maximize available assistance from the Minnesota Housing Finance Agency (MHFA) and other sources, the HRA will work directly with homeowners to assess and facilitate their eligibility for other assistance. MHFA has several programs and other assistance is often available through other agencies. Additional Rehabilitation Loan and/or Grant Programs include:

1. MHFA Programs
 - a. Rehabilitation Loan Program
 - b. Fix Up Fund
2. Weatherization Assistance Program
3. Home Energy Loan Program

Application to the HRA

Normally, a first come first serve applicant selection process will govern the administration of the program; however, where an applicant has an immediate safety or health need, that applicant will be given priority.

Each application will be dated upon receipt. The receipt date shall be used as one of the criteria for ranking of the application. It should be noted that an application is considered complete when all materials used to determine eligibility are received by HRA staff.

The HRA shall adhere to the following guidelines:

1. The process must be uniformly applied during the entire funding year.
2. No eligible applicant shall be rejected on the basis of judgments as to personal character or life-style.
3. Where no funds are available for assistance to applicants, the following procedure shall be used:
 - a. Explain to the applicant that the funding for the current year has been either depleted or allocated.
 - b. Inform the applicant of other possible funding sources, including local, state and federal programs.
 - c. Send the applicant a letter indicating that the application has been placed on a waiting list but that there is no guarantee of future funding. This letter should outline the other possible avenues of obtaining home improvement funds.

Eligibility Requirements

Applicants must meet all the requirements set forth in these Procedural Guidelines.

- **Ownership and Occupancy Requirements**

The property must be the applicant's place of residence for a minimum of nine months in any twelve-month period. An exception may be made for a disabled person or household member who cannot move into the home until modifications are made.

The applicant must have a qualifying interest in the property although that interest may be aggregated with the ownership interest of other individuals occupying the property as their principal place of residence. A qualifying interest shall consist of:

1. A valid life estate. Such life estate must be recorded and must appear in the records of the County; or
2. A one third interest in the fee title. Such interest may be subject to a mortgage; or
3. A contract for deed in the property to be improved. Such contract for deed must be recorded and must appear in the records of the County.

Ownership shall be based on the information recorded in the Hennepin County Recorder's Office. All individuals having an ownership interest in the property to be improved must sign the Repayment Agreement.

The applicant must be current on all mortgage payments, contract for deed payments, homeowner's association dues and property taxes on the property to be improved. If any of these payments are delinquent, they must be made current before the application can be approved for funding. In addition, there shall be no outstanding mechanics liens filed against the property.

The applicant must be capable of maintaining the home. This includes financial and physical maintenance of the home. Applicants with significant financial and/ or physical maintenance issues will be referred to appropriate service agencies.

- Annual Gross Household Income

Applicants must have an annual gross household income at or below 80% of the area median income for the household size in effect at time of application.

Gross annual income is defined as the gross annual income from all funding sources (before taxes and withholdings) of all individuals living in the housing unit for at least nine (9) months of any twelve-month period and who do not pay rent.

Non-recurring types of income should be included as assets rather than income. Items for inclusion under this category may include a single gift of cash from a person or persons, cash sales of property, receipt of one-time survivor benefits, etc. A one-time sale of stock does not count as income, but rather the proceeds are counted as assets.

- Inclusions In Gross Income

The below table presents the Part 5 income inclusions as stated in the Code of Federal Regulations:

General Category	Statement from 24 CFR 5.609 paragraph (b) (April 1, 2004)
1. Income from wages, salaries, tips, etc.	The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.
2. Business Income	The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.
3. Interest & Dividend Income	Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in number 2 (above). Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.
4. Retirement & Insurance Income	The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in number 14 of Income Exclusions).
5. Unemployment & Disability Income	Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay (except as provided in number 3 of Income Exclusions).
6. Welfare Assistance	Welfare Assistance. Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income: <ul style="list-style-type: none"> • Qualify as assistance under the TANF program definition at 45 CFR 260.31; and • Are otherwise excluded from the calculation of annual income per 24 CFR 5.609(c),

	<p>If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:</p> <ul style="list-style-type: none"> the amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; <i>plus</i> the maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is reduced from the standard of need by applying a percentage, the amount calculated under 24 CFR 5.609 shall be the amount resulting from one application of the percentage.
7. Alimony, Child Support, & Gift Income	Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.
8. Armed Forces Income	All regular pay, special day and allowances of a member of the Armed Forces (except as provided in number 7 of Income Exclusions).

- Exclusions from gross income

The below table presents the Part 5 income exclusions as stated in the Code of Federal Regulations:

General Category	Statement from 24 CFR 5.609 paragraph (c) (April 1, 2004)
1. Income of Children	Income from employment of children (including foster children) under the age of 18 years.
2. Foster Care Payments	Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone).
3. Inheritance and Insurance Income	Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in number 5 of Income Inclusions).
4. Medical Expense Reimbursements	Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.
5. Income of Live-in Aides	Income of a live-in aide (as defined in 24 CFR 5.403).
6. Disabled Persons	Certain increases in income of a disabled member of qualified families residing in HOME-assisted housing or receiving HOME tenant-based rental assistance (24 CFR 5.671(a)).
7. Student Financial Aid	The full amount of student financial assistance paid directly to the student or to the educational institution.
8. Armed Forces Hostile Fire Pay	The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
9. Self-Sufficiency Program Income	<ul style="list-style-type: none"> a. Amounts received under training programs funded by HUD. b. Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS). c. Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) and which are made solely to allow participation in a specific program. d. Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time. e. Incremental earnings and benefits resulting to any family member from participation in qualifying state or local employment training programs (including training not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under

	employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program.
10. Gifts	Temporary, nonrecurring, or sporadic income (including gifts).
11. Reparations	Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.
12. Income from Full-time Students	Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household or spouse).
13. Adoption Assistance Payments	Adoption assistance payments in excess of \$480 per adopted child.
14. Social Security & SSI Income	Deferred periodic amounts from SSI and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts.
15. Property Tax Refunds	Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.
16. Home Care Assistance	Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep this developmentally disabled family member at home.
17. Other Federal Exclusions	<p>Amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions of 24 CFR 5.609(c) apply, including:</p> <ul style="list-style-type: none"> • The value of the allotment made under the Food Stamp Act of 1977; • Payments received under the Domestic Volunteer Service Act of 1973 (employment through VISTA, Retired Senior Volunteer Program, Foster Grandparents Program, youthful offender incarceration alternatives, senior companions); • Payments received under the Alaskan Native Claims Settlement Act; • Income derived from the disposition of funds to the Grand River Band of Ottawa Indians; • Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes; • Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program; • Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721); • The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U.S. Claims Court and the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands; • Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal workstudy program or under the Bureau of Indian Affairs student assistance programs; • Payments received from programs funded under Title V of the Older Americans Act of 1985 (Green Thumb, Senior Aides, OlderAmerican Community Service Employment Program); • Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.); • Earned income tax credit refund payments received on or after January 1, 1991, including advanced earned income credit payments; • The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990; • Payments received under programs funded in whole or in part under the Job Training Partnership Act (employment and training programs for Native Americans and migrant and seasonal farm workers, Job Corps, state job training programs and career intern programs, AmeriCorps); • Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation;

	<ul style="list-style-type: none"> • Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990; • Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran; • Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act; and • Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998.
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• Calculation of Household Income

1. Gross annual income shall be based upon annualized weekly or monthly income as of the date of verification.
2. In cases where the gross income of the applicant's household is extremely low, the applicant must demonstrate they are able to meet their monthly obligations. The applicant must produce written verification of the household's monthly expenditures, clearly itemizing the amount of money and its source, on all obligations, which may include the following items: mortgage, contract for deed, insurance, loans, income, property taxes, transportation expenses, charge accounts, health costs, food, utilities, clothing and entertainment. These expenses shall determine the household maintenance income.
3. Any income determination, which results in a net loss of income, must be considered as \$0 income. That is, an income loss from one source may not be subtracted from a separate source of income for the purpose of determining total household gross annual income.
4. Any educational loans, including VA benefits, which are paid *directly to the individual*, must be included as income. Loans or scholarships, which are paid directly to an educational institution, are not included as income.
5. If a current pay-stub does not provide conclusive verification of overtime or bonuses, the loan administrator, through contacting an employer, may need to determine projected bonus and/or overtime income. The amount of overtime or bonuses may also be based on prior year's figures or average amounts awarded to other employees with the same status. The most recent IRS tax return may also be used for these purposes.
6. Self-employed persons must submit signed copies of IRS tax returns for the previous three years. Applications processed before April 15th of any given year may use the IRS tax returns from the second and third preceding years if their return for the first preceding year is not available. Applications processed after April 15th of any given year must use the IRS tax returns from the first and second preceding years. The administering entity will determine gross annual income by averaging the income from the two submitted returns.

7. For self-employed persons, normal out-of-pocket business expenses such as office rents, telephone, etc. are generally deductible items. Property or equipment depreciation is not deductible and must be added back to establish income for program purposes.

Individuals who have been self-employed for less than two years must submit a profit and loss statement detailing the business income and expenditures. An exception may be made if the applicant prepares one that it is endorsed by a reputable third party and includes a declaration that all information contained in the statement is accurate and complete and that the applicant is aware that any errors or evasions may result in prosecution. If the individual can produce a signed IRS return for one complete year of self-employment and a profit and loss statement for the subsequent period, that will be acceptable.

8. Income from rental properties, including rents from the property to be improved, shall be included in the gross annual income. Expenses allowable for deduction for rental purposes include a proportional share of the mortgage principal and interest payment, utilities, taxes, insurance, and maintenance. In no event shall such deductions exceed the gross rental income.
9. The Calculation of Gross Annual Income may not be based on a temporary condition such as unemployment or temporary worker's compensation. If unemployment recurs on a regular basis, gross annual income shall include the sum of wages and unemployment compensation expected to be received by the household over the next 12 months. If worker's compensation is permanent income the insurance company must verify it.

Gross Annual Income may not be based on temporary non-recurring unemployment of a known duration, such as that due to lay-off, maternity leave, sabbatical leave, etc. Rather, income shall be calculated based on the normal annual income of the temporarily unemployed person. At that time, the household must be able to demonstrate that it is both income eligible and capable of meeting its monthly obligations as outlined.

Application of those who are unemployed for an unknown period of time shall not be considered until the unemployed household member has exhausted all eligibility for unemployment compensation and the employer indicates a callback date is unknown.

10. The income earned from assets will be combined with income earned from other sources to determine if the total income is under the appropriate income limit.
11. All applicants must be able to demonstrate that they are current on income tax payments to the federal government by submitting signed copies of complete federal tax returns for the three preceding years. Applicants who are delinquent, but who can be verified as being current on a repayment schedule, will be regarded as being eligible in this regard. Applicants who are required to file federal income tax returns but who have

not filed or applicants who are delinquent and are not current on a repayment schedule are not eligible for program assistance.

- Asset Limits

Gross Assets must not exceed \$25,000, which excludes one automobile per adult that permanently resides in the home. Gross Assets include the cash value of accounts such as money-market accounts, personal savings accounts, checking accounts, investment securities, stock, current market value of all interest in real estate, annuities, life insurance policies, and certificate of deposits. It does not include balances of 401K funds, pensions, or other deferred compensation funds. Income received in the form of disbursements from 401K funds, pensions or other deferred compensation funds does count towards annual household income, however.

- Equity Limits

Applicants whose home equity exceeds the greater of 20% of the assessed property value of the property or \$20,000 shall not be eligible for the program. The HRA Executive Director may approve a waiver of this equity limit at his/her discretion based on the following criteria:

1. Applicant's Debt-to-Income Ratio (DTI)
2. Applicant's Documented Inability to Secure Private Financing
3. Urgency of Repairs Needed
4. Availability of Program Funding

Homeowners who are ages 55 and older and/or on a fixed income (including, but not limited to Social Security/SSI, disability, unemployment, etc...) as their primary source of income are exempt from the equity limits and do not require a waiver of the equity limit.

Eligible Dwellings

Property Type and Location

The property must be 1) located within the city limits of Plymouth; 2) in compliance with all applicable zoning ordinances; 3) used primarily for residential purposes; and 4) contain no more than two dwelling units, at least one of which must be owner-occupied. Improvements can only be made to the owner-occupied unit, unless the improvement serves both units, such as a roof. However, a condominium or townhouse may be considered eligible provided repairs are done only within the unit itself.

Structure

The property to be improved must be an existing and permanent structure. An owner-occupied mobile home on a permanent foundation located on land owned by the applicant is eligible. Trailers or mobile homes located on land not owned by the applicant are not eligible.

Denial of Eligibility

The HRA will review and verify all applications for eligibility. Those applicants not meeting the eligibility requirements will be sent a written notice explaining the reason(s) for denial and outlining the appeal process as stated below.

Appeal of Loan Denial

Appeals regarding interpretation of eligibility requirements may be made in writing to the Housing Program Manager, HRA's Executive Director and then to the HRA Board of Commissioners. Appeals that clearly do not meet eligibility requirements will not be considered.

Eligible Improvements

Each improvement must be a permanent general improvement. Permanent general improvements shall include such alterations, renovations, or repairs upon or in connection with existing structures, which correct defects or deficiencies in the property affecting directly the safety, habitability or energy consumption of the property. A permanent general improvement must be economically viable in terms of a determination that after the improvement is made:

1. The structure will have a remaining useful life such that the total amount of the repairs required bringing the house up to Section 8 Housing Quality Standards may be amortized over such life in an economically prudent manner.
2. The structure will be reasonably livable, safe and habitable. All materials used in the rehabilitation work will be new, of same grade and quality, dimensions and design as that originally installed. All work and materials must be applied in accordance with the applicable manufacturer's list instructions and specifications. The owner shall select colors and patterns of materials furnished by the contractor from readily available supplier's selection. However, should the homeowner desire more expensive materials to be used, the homeowner would pay the cost difference.

No funds shall be used in whole or in part for the purpose of refinancing or paying off an existing indebtedness. All such funds must be used to finance improvements begun after the execution of a Work Contract prepared by the HRA and signed by the homeowner and the contractor.

- **Additions**

The HRA may approve the construction of an addition only in the circumstances indicated below:

1. Bedroom additions may be allowed in cases of severe overcrowding. For the purpose of this program, a dwelling will generally be considered "overcrowded" if there is an average of more than one person per room (excluding bathroom) in the dwelling, or as otherwise approved by the HRA.

2. Bathroom additions may be allowed in cases of inadequate indoor bathroom facilities only if no other space in the structure is appropriate for such facilities
3. In the case of applicants with impaired mobility, request for room additions will be reviewed in compliance with procedures for loans including accessibility improvements.

- Demolition

Demolition of outbuildings is allowed only when such clearance is required by the local building code. Loan funded improvements cannot otherwise be limited to demolition only, except in circumstances determined as exceptional by the HRA.

- Sidewalks and Driveways

Reconstruction of sidewalks and driveways is allowed only on private property and only if necessary to remove safety hazards or to preserve the structure of the home. Construction of a new sidewalk or driveway may be allowed at the discretion of the HRA and only as necessary for accessibility improvement for elderly or disabled household members.

- Exteriors

Exterior finishing (painting or siding) is allowed if there is deterioration of current exterior finishing. Exterior finishing requested solely for cosmetic purposes will not be approved. Should a determination be made that lead-based paint was used on the structure; appropriate measures will be taken in accordance with applicable lead based paint requirements.

- Energy Efficiency

Where property is not reasonably energy efficient, loan funds shall be used to the extent necessary to increase such efficiency. Energy saving features shall be consistent with the energy standards promulgated as part of the State building code, but such improvements need not bring the unit or house into compliance with such energy standards.

- Smoke Detectors

Smoke detectors shall be installed in all dwellings being improved with loan funds, unless detectors are already properly installed. All properties being improved shall contain adequate smoke detectors following completion of the rehabilitation work. When interior alterations, repairs or additions requiring a permit occur, or when one or more sleeping rooms are added or created in existing dwellings, the individual dwelling unit shall be provided with smoke detectors located as required for new dwellings; the smoke detectors shall be interconnected and hard wired.

Exceptions: 1) Smoke detectors in existing areas shall not be required to be interconnected and hard wired where the alterations or repairs do not result in the removal of interior wall or ceiling finishes exposing the structure, unless there is an attic, crawl space, or basement

available which could provide access for hard wiring and interconnection without the removal of interior finishes. 2) Repairs to the exterior surfaces of dwellings are exempt from the requirements of this section.

Power Source: In new construction, the required smoke detectors shall receive their primary power from the building wiring when such wiring is served from a commercial source, and when primary power is interrupted, shall receive power from a battery. Wiring shall be permanent and without a disconnecting switch other than those required for over current protection. Smoke detectors shall be permitted to be battery operated when installed in buildings without commercial power or in buildings that undergo alterations, repairs or additions.

- Carbon Monoxide (CO) Alarms

Carbon Monoxide Alarms shall be installed within ten feet of each room lawfully used for sleeping purposes. All CO alarms shall be certified by a nationally recognized testing laboratory to conform to the latest Underwriters Laboratory (UL) Standards.

Power Source: CO alarms must be either hardwired into the electrical wiring, directly plugged into an electrical outlet without a switch, or battery powered.

- House Numbers

Where the house numbers are not present or are not installed to applicable City codes and ordinances, they shall be installed properly.

- Stoves and Refrigerators Appliances

Appliances may be paid for as part of a Home Rehabilitation loan, dependent on the specific appliance and its/their condition. All other work as defined in the scope of work must be complete and paid for before funds will be approved to replace/repair appliances. More specific criteria regarding appliance condition must be in to justify replacement are below:

- If a refrigerator does not have a freezer compartment, maintain a temperature low enough so that food does not spoil over a reasonable period of time and is not sized correctly for the household to meet Section 8 Housing Quality Standards consideration may be given to replace or repair the refrigerator.
- If a cooking stove or range with top burners is present but does not meet Section 8 Housing Quality Standards, consideration may be given to replace or repair the stove or range with top burners.
- Repair or replacement of washers/dryers/dishwashers/microwaves is not allowable.
- If appliances are to be included as part of the Home Rehabilitation project, Plymouth HRA staff will specify models and price ranges that may be paid for with loan funds

within the official scope of work. Should the homeowner desire more expensive appliances, the homeowner would pay the cost difference.

- Water and Sewer

Loan funds may be used for the portion of improvements located on the property which will bring an individual water supply system or an individual sewage disposal system (including septic systems) into compliance with local, state or federal environmental and sanitary standards provided no public utility service is available. Payments of applicable SAC (Sewer availability charges) are an eligible expense.

Water drawn from a valid well must be potable (safe for drinking) and must be free of sand, grit or other material which might damage the pump or plumbing. Water need not be free from minerals that may make it cloudy nor must it be free from odor. No funds will be disbursed by the HRA until water is struck. It is an eligible improvement to connect a house to City water and/or sewer when conditions affecting the health of the residents are present or when required by City Ordinance.

- Garages

Work on detached garages is allowed only if the existing condition presents a clear and imminent safety hazard. Repair or replacement of garage door openers will not eligible unless the homeowner has a documented physical disability or if necessary for the safety and security of the residents of the home.

Improvement Standards

- Sanitary Facilities

1. Performance Requirement: The dwelling unit shall include its own sanitary facilities, which are in proper operating condition, can be used in privacy, and are adequate for personal cleanliness and the disposal of human waste.
2. Acceptability Criteria: A flush toilet in a separate, private room; a fixed basin with a sink trap and hot and cold running water; and a shower or tub with hot and cold running water shall be present in the dwelling unit, all in proper operating condition. These facilities shall utilize an approved public or private disposal system.

- Food Preparation

1. Performance Requirement: The dwelling unit shall contain suitable space and equipment to store, prepare, and serve foods in a sanitary manner. There shall be adequate facilities and services for the sanitary disposal of food wastes and refuse, including facilities for temporary storage where necessary.
2. Acceptability Criteria: The unit shall contain the following equipment in proper operating condition: an oven, a cooking stove or range; a refrigerator of appropriate size for the family and a kitchen sink with a sink trap and hot and cold running water.

The sink shall drain into an approved public or private system. Adequate space for the storage, preparation and serving of food shall be provided. There shall be adequate facilities and services for the sanitary disposal of food wastes and refuse, including facilities for temporary storage where necessary (e.g. garbage cans).

- Space and Security

1. Performance Requirement: The dwelling unit shall afford the homeowner adequate space and security.
2. Acceptability Criteria: A living room, kitchen area, and bathroom shall be present, and the dwelling unit shall contain at least one sleeping or living/sleeping room of appropriate size for each two persons. Exterior doors and windows accessible from outside the unit shall be lockable.

- Thermal Environment

1. Performance Requirement: The dwelling unit shall have and be capable of maintaining a thermal environment healthy for the human body.
2. Acceptability Criteria: The dwelling unit shall contain a safe heating system which is in proper operating condition and can provide adequate heat to each room in the dwelling unit to ensure a healthy living environment. Unvented room heaters which burn gas, oil or kerosene, are unacceptable.

- Illumination and Electricity

1. Performance Requirements: Each room shall have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. Sufficient electrical outlets shall be provided to permit use of essential electrical appliances. Electric fixtures and wiring must ensure safety from fire.
2. Acceptability Criteria: Living and sleeping rooms shall include at least one window. A ceiling or wall type light fixture shall be present and operable in both the bathroom and kitchen area. At least two electric outlets shall be present and operable in the living room area, kitchen area, and each bedroom area.

- Structure and Materials

1. Performance Requirement: The dwelling unit shall be structurally sound so as not to pose any threat to the health and safety of the occupants and to protect the occupants from the environment.
2. Acceptability Criteria: Ceilings, walls, and floors shall not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling or noticeable movement under walking stress, missing parts or other serious damage. The roof structure shall be firm and the roof shall be weather tight. The exterior wall structure and exterior wall surface shall not have any serious defects such as serious leaning, buckling, sagging, cracks or holes, loose siding, or other serious damage resulting in air infiltration or vermin infestation. The condition and equipment of

interior and exterior stairways, halls, porches, walkways, etc. shall be such as not to present a danger of tripping or falling. In the case of a mobile home, the home shall be securely anchored by a tie down device which distributes and transfers the loads imposed by the unit to appropriate ground anchors so as to resist wind overturning and sliding.

- Interior Air Quality

1. Performance Requirement: The dwelling unit shall be free of pollutants in the air at levels that threaten the health of the occupants.
2. Acceptability Criteria: The dwelling unit shall be free from dangerous levels of air pollution from carbon monoxide, sewer gas, fuel gas, dust, and other harmful air pollutants. Air circulation shall be adequate throughout the unit. Bathroom areas shall have at least one operable window or other adequate exhaust ventilation. Any room used for sleeping must have at least one operable window.

- Water Supply

1. Performance Requirement: The water supply shall be free from contamination.
2. Acceptability Criteria: The unit shall be served by an approved public or private sanitary water supply that is sanitary and free from contamination.

- Lead Based Paint

1. Performance Requirement: The dwelling unit shall be in compliance with HUD Lead Based Paint regulations, 24 CFR, Part 35, issued pursuant to the Lead Based Paint Poisoning Prevention Act, 42 U.S.C. 4801 and all successive amendments.
2. If the property was constructed prior to 1978, the applicant will be furnished the HUD Lead Based Paint Notice on the hazards of lead based paint poisoning. Documentation of receipt of the notice shall be included in the file.
3. Acceptability Criteria: Same as Performance Requirement.

- Access

1. Performance Requirement: The dwelling unit shall be usable and capable of being maintained without unauthorized use of other private properties, and the building shall provide an alternate means of egress in case of fire.
2. Acceptability Criteria: The dwelling unit shall be usable and capable of being maintained without unauthorized use of other private properties. The building shall provide an alternate means of egress in case of fire (e.g. windows that satisfy standards for egress).

- Site and Neighborhood

1. Performance Requirement: The site and neighborhood shall be reasonably free from disturbing noises and reverberations and other hazards to the health, safety, and general welfare of the occupants.

Acceptability Criteria: The site and neighborhood shall not be subject to serious adverse environmental conditions, natural or man made, such as dangerous walks and steps; instability; flooding; poor drainage; septic tank backups; sewage hazards; mud slides; abnormal air pollution, smoke or dust; excessive noise, vibration or vehicular traffic; excessive accumulations of trash; vermin, or rodent infestation; or fire hazards.

- Sanitary Condition

1. Performance Requirement: The unit and its equipment shall be in sanitary condition.
2. Acceptability Criteria: The unit and its equipment shall be free of vermin and rodent infestation.

- Smoke Detectors

1. Performance Requirement: The unit shall have at least one battery-operated or hard-wired smoke detector, in proper operating condition on each level of the unit. Smoke detectors must be installed in accordance with and meet requirements of NFPA 74 and succeeding standards. If the unit is occupied by hearing-impaired person(s), smoke detector must have an alarm system, designed for hearing impaired persons.

Accessibility Improvements

- Permitted Accessibility Improvements

Accessibility improvements may include:

1. Structural Improvements: Construction, installation or modification of ramps, handrails, kick plates and door widths; repair or replacement of doors; relocation of doorways; installation of lever-action hardware; construction or expansion of rooms.
2. Exterior Improvements: Construction of exterior ramps, railing, walkways, landings and porch extensions, site grading and other site improvements.
3. Bathroom Improvements: Installation of elevated water closets, grab bars, shower stalls, tub seats, hand-held showers, accessible sinks, electrical outlets, medicine cabinets and other accessories, and modification or expansion of bathroom area to allow a five-foot turning radius.
4. Kitchen Improvements: Construction, modification or replacement of cupboards or shelves to provide access to sinks, cook tops, ovens or storage areas; installation of accessible electrical outlets and switches, lever-action hardware, garbage disposals; insulation of hot water pipes; modification or expansion of kitchen area to allow for a five-foot turning radius in the workspace; installation of "lazy Susan's" in cupboards; replacement of floor covering in order to improve wheeling surface.
5. Other Improvements: In exceptional circumstances - installation of central air conditioning and/or stair glides or electric lifts when the handicapped person's doctor in writing verifies the need for these improvements.
6. Improvements that are determined to be ineligible as accessibility improvements may be funded under the other provisions of the Procedural Guidelines.

- Additional Funding for Accessibility Improvements

An additional \$10,000.00 (up to a maximum loan amount of \$50,000.00) will be allowed to households with accessibility needs to address both accessibility and general improvement needs. Although there is no fixed limit allowed for accessibility improvements, serious health, safety, and code violations must be addressed in addition to the accessibility improvements. A prioritization of the scope of improvements will be done by the program administrator in conjunction with the homeowner to allow for the most urgent needs to be met.

- Standard Procedure for Compiling Accessibility Portion of Loan

A loan application that includes accessibility improvements must include the following:

1. An accessibility improvements inventory, containing a description of the accessibility improvements to be made shall be included with the inspection report;
2. A letter describing:
 - a. the level and specific type of disability experienced by the handicapped person; and
 - b. the specific accessibility improvements requested;
3. Quotes from contractors;
4. Architectural drawings, if needed;
5. Any other materials requested.

- Requirements for Participation

Loans may be made to households with a handicapped person for accessibility improvements if the conditions of the Procedural Guidelines have been fully satisfied. To qualify for accessibility improvements the handicapped person must be a permanent member of the household.

Application/ Loan Processing

- Acceptance Procedures

The HRA's objectives are to encourage necessary improvements whereby the structure will be reasonably livable, safe, habitable, and energy efficient.

- Approval of Application

1. Upon approval of the application, the HRA will notify the applicant in writing.
2. The Repayment Agreement executed by the applicant and dated prior to work completion will be held by the HRA.

- Expediency of Loan Processing

Loans shall be processed in a reasonable length of time in an efficient and accurate manner. Each Loan shall be completed within six months, from start to finish, unless otherwise

authorized by the Plymouth HRA. The Repayment Agreement shall be filed by the Program Administrator prior to work commencing.

- Disbursement of Funds

The HRA will be responsible for disbursing funds to contractors who have performed work. Payment for work completed will be made after the work is completed, inspected and all of the required parties have signed a completion certificate. Partial payments may be made if required by the contractor after an interim inspection and the homeowner has signed a completion certificate for that portion of the project. Advance payments may be made at the discretion of HRA staff and written approval from the homeowner when required for ordering up-front cost items, such as windows or siding, and upon submission of an invoice of materials ordered by the contractor.

- Disbursement Procedures

No disbursement of funds shall be made to a contractor until the HRA is in receipt of:

1. A Completion Certificate signed by the inspector, homeowner, and HRA administrator; and
2. An original invoice from the contractor for the amount of the work performed; and
3. A properly completed Sworn Construction Statement; and
4. Lien waivers provided by the contractor/subcontractor(s) supplier for the amount of the work performed; and
5. Any successful Clearance Tests, if necessary.

Note: In certain circumstances, when the inspector and grant administrator have determined that the project was completed per the Work Contract and the work is of acceptable quality, payment may be made to the contractor without the signature of the homeowner on the Completion Certificate.

Upon receipt of the above items, payment may be made to the contractor. Payment will normally be made within 15 business days after the HRA receives the invoice, signed Completion Certificate and the lien waivers

- Delivery of Loan Funds

The HRA will disburse funds to contractors for completed work, in compliance with Program Guidelines. No work shall start on any structure prior to the proper completion of a Work Contract referring to specific work items under that particular loan, the contractor's proof of insurance, license, W-9 form, and LBP certification if required.

- Requests for Changes in Loan Amount

At the discretion of the HRA, an expenditure of funds in excess of the approved amount may be approved in the event of justifiable over-runs in the cost of improvements. The HRA must document increases or decreases in the amount according to the following procedures:

1. The HRA shall inspect the property to determine if the change is justified.
2. The HRA may authorize changes that meet program eligibility criteria when necessary. Authorization will be given by the HRA signing the amendment request certificate.
3. In no case shall the amount of the loan exceed the maximum loan amount, except in the cases of accessibility loans, lead-based paint issues, or where a serious health or welfare conditions warrants a greater amount.

- Completion Procedures

No loan will be considered complete until the following steps have been accomplished:

1. Inspection of the Property - All improvement work, as specified in the rehabilitation work summary, will be inspected for completeness, conformity to specification and quality of workmanship. The HRA will require completion or correction of any item found lacking. Failure of a contractor to comply with such a request for completion or correction of work is considered grounds for withholding payment.
2. Recording of the Repayment Agreement – The loan amount identified on the Repayment Agreement will be the maximum loan amount the homeowner is entitled. Once the Repayment Agreement is executed the agreement will then be recorded by the HRA with the Registrar of Deeds or the Registrar of Titles.
3. Completion Certificate - following the final inspection and successful completion of work, the homeowner, inspector, and the HRA Administrator will sign a Completion Certificate prior to any payment being made to a contractor. Note: In certain circumstances, when the inspector and grant administrator have determined that the project was completed per the Work Contract and the work is of acceptable quality, payment may be made to the contractor without the signature of the homeowner on the Completion Certificate.

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PART III: PROGRAM VERIFICATIONS/ DOCUMENTS

Pre-Approval Verifications

- **Income Verification**

All sources of income listed on the application will be verified by the HRA. The following is a list of acceptable forms of income verification evidence:

1. Written verification from employers or other income providers.
2. Copies of four recent checks or check stubs, which must include the year-to-date earnings.
3. All applicants must submit complete federal income tax returns for the last three years unless household income is not taxable.
4. Two most recent bank statements for checking and savings accounts.
5. Income derived from rent must be verified by the renter in writing or by examining copies of checks or rent receipts.

The material used to verify income must not be more than 90 days old at the time of approval. If the material is more than 90 days old, all income(s) must be re-verified before an application can be approved.

- **Asset Verification**

All assets listed on the application must be verified by the HRA. The following is the only acceptable form of asset verification evidence:

1. Written verification from banks, insurance companies or other asset holders; and
2. Copies of bank statements, insurance policies, premium notices, financial statements and the like.

The date of document used in verifying assets must not be more than 90 days previous to the date of approval. If it is more than 90 days old, assets must be re-verified before an application can be approved.

- **Mortgage Status Verification**

The HRA will ensure that the mortgage(s) and/or contract for deed(s) on the property to be improved are current. If payments are delinquent, the applicant must be given four weeks to make them current. The date of the document used in verifying the mortgage and/or contract for deed must not be more than 90 days previous to the date of approval. If it is more than 90 days old, the mortgage status must be re-verified before a loan application can be approved.

- Title Verification

1. The following information will be obtained from the County Recorder regarding each property:
 - a. The full name of all owners of record, exactly as they appear on the title;
 - b. Whether it is Torrens or Abstract.
2. Upon obtaining this information, the HRA will determine that the applicant individually or in the aggregate has a qualifying interest in the property consisting of at least:
 - a. A valid life estate. Such life estate must be recorded and must appear in the records of the County; or
 - b. A 1/3 interest in the fee title. Such interest may be subject to a mortgage; or
 - c. A contract for deed to the structure being improved.
3. In addition, the applicant(s) must occupy the property as the principal place of residence. To consider a property the principal place of residence, an individual must:
 - a. Reside in the property at the time of application (except where extraordinary circumstances have made the property temporarily uninhabitable or in the case of a disabled person or household member who is unable to move into the property until needed accessibility modifications are made); and
 - b. Occupy or intend to occupy the property for at least 9 months of the year.
4. For the purpose of complying with ownership requirements, the borrower may aggregate his/her interest in such property with the ownership interest of other individuals occupying the property as their principal place of residence.

Pre-Construction Documents

- Rehabilitation Application

The application must be filled out completely and signed and dated by the Applicant.

- Individual Data Confidentiality

The applicant's rights as a subject of data are fully described in this form. One form should be given to the applicant and a signed and dated copy should be included in the file.

- Property Inspection Report

1. This report must include the following items:
 - a. General condition of the structure
 - b. Structural soundness
 - c. Plumbing systems including: water supply, waste disposal, fixtures and piping systems
 - d. Heating systems
 - e. Electrical systems

- f. Roof
 - g. Energy efficiency including: insulation, infiltration, windows, doors and ventilation
 - h. General Exterior Conditions
 - i. General Interior Conditions
2. An explanation should be provided for any deficiency that appears on the inspection report but does not appear on the rehabilitation work summary for correction.
 3. The inspection report must be signed and dated by the inspector performing the inspection.
 4. Major infractions of the City building codes constituting a health and/or safety hazard or seriously diminishing the habitability of the residence will be noted and explained to the applicant.

- Scope of Improvements and Work Proposal

This listing of all eligible improvements should be kept on file in case the homeowner requires additional copies. Copies will be sent to the homeowner along with a mandatory cover letter encouraging the consideration of minority or women-owned contractors and including information on how to access such contractors. A copy of this letter will also be included in the file.

The Scope should allow contractors the opportunity to submit alternates or amendments to work items.

- Rehabilitation Work Summary

The HRA, in conjunction with the homeowner, determines the work to be done with the funds available. If the homeowner disagrees with the HRA's choice of improvements, items may be waived by the homeowner, in writing, at the discretion of the HRA. The rehabilitation work summary list includes:

1. The improvements to be done by item, and contractor performing work and a breakdown of costs by item and contractor.
2. The total cost of the work to be performed shall be listed. The maximum loan amount shall not exceed the lesser of:
 - a. \$40,000.00; or
 - b. The actual cost of the work performed

EXCEPT that when the project involves accessibility improvements, lead based paint improvements, or when health and welfare conditions warrant, where the maximum loan amount may be \$50,000.00.

3. The maximum loan amount requirement may be waived at the discretion of the HRA Executive Director for extenuating circumstances if the amounts authorized above are insufficient to bring the home up to minimum property standards.

- Contractor Proposals

The homeowner must obtain a minimum of two proposals for all of the authorized improvements before work can begin. A Repayment Agreement must also be signed and notarized before work start-up. All proposals must conform to the minimum standards of the specifications. The lowest bid will be accepted unless customer specifies they are paying the difference between the low bid and the high bid.

- Work Contract

Work contracts will be completed between the contractor submitting the lowest acceptable proposal and the homeowner. A copy of each proposal must be included in the Work Contract and shall be completed within the time frame specified on the Work Contract. The HRA may grant an extension as needed. If the contractor does not begin or complete the work within the time frame specified, the work contract may be canceled and a new contractor selected.

- Amendment Request Certificate

This form outlines all changes in the approved loan amount, either additions or subtractions, by each contractor. It must be signed by the contractor and the homeowner and approved by the HRA. Every effort will be made to keep amendment requests to a minimum; however, it is appropriate to use the amendment request as a means of dealing with unforeseeable circumstances.

- Sworn Construction Statement

Any firm or individual contracted to perform work on the residence must submit a sworn construction statement prior to any work taking place on the property. The sworn construction statement must list all subcontractors and/or suppliers contributing to the work for which the invoice is being submitted and must be signed by the contractor holding the Work Contract. The contractor's signature must be notarized. The purpose of this form is to ensure that the contractor holding the Work Contract is liable for any failure to pay subcontractors/suppliers involved in the project.

- Acknowledgment of Receipt of Pre-Construction Documents

The applicant's file will contain a signed and dated receipt from the applicant, acknowledging that the HUD approved information on the dangers of lead based poisoning has been received. Also this acknowledgment states applicant received a blank copy of a Work Contract, an improvement of work procedures form, a copy of the Repayment Agreement, an individual data confidentiality statement, an authorization to release information form and information on minority and women owned businesses.

- Environmental Assessment

This form provides information pertaining to environmental assessment, historical preservation, air quality, wetland protection, zoning classification, flood plain management, hazardous facilities, noise, farmlands, and site source aquifers.

- Repayment Agreement

The Repayment Agreement must be included in the loan package. As specified in the provisions of the Repayment Agreement, the homeowner shall be required to notify the HRA immediately upon the sale, transfer, conveyance or cessation of residency of the property.

1. The Repayment Agreement provides that in the event that the improved property is sold, transferred, or otherwise conveyed by the homeowner within the specified time period, the homeowner would be required to pay the full amount of the loan within ten (10) years from the date from the approval date of the application, if the property ceases to be the homeowner's principal place of residence. Should the homeowner retain the property longer than 10 years but less than 20 years, he/she shall pay an amount equal to a 10% reduction each year after the 11th year until the 20th year when the full amount is forgiven. The Repayment Agreement is a lien on the improved property, in favor of the HRA, as security for the loan amount. In the event of the death of the homeowner, this lien may pass to his/her heirs provided they continue to occupy the property as their principle place of residence.
2. The HRA will exercise extreme care in the execution of the Repayment Agreement document to ensure that the lien is valid. Any inaccuracy or omission may have a negative effect on the validity of the lien.

Prior to the approval of the loan package the HRA must ensure that the Repayment Agreement is properly completed in as much as:

- a. The property description must be exactly as it appears in the property records. If the applicant owns property other than the property to be improved, only the description of the property to be improved should be included.
 - b. The record names (the names exactly as they appear in the property records) must be used by all signatures required.
3. The following is a brief discussion of the signatures required under particular property ownership situations:
 - a. Any JOINT TENANCY -- signatures of all joint tenants are required.
 - b. Property held by ONE SPOUSE -- signatures of BOTH spouses are required.
 - c. Property held in LIFE ESTATE -- signatures of the applicant (life estate holder) and all of the remaindermen.

- d. Property being purchased on CONTRACT FOR DEED -- signatures of the applicant and all individuals who are aggregating their interest to meet the ownership requirement; and the fee title holder (and spouse or others, as applicable) of the property; and the signatures of any intervening vendees of the contract for deed.
 - e. All required signatures must be notarized; including the "mark" of a signatory who is unable to write (such a mark must be witnessed by at least two persons other than the notary). Additional acknowledgments may be added to the Repayment Agreement form to accommodate any necessary notarizations.
4. The Repayment Agreement will show the maximum loan amount. Should less than the maximum loan be needed, the applicant will only be required to repay the actual amount expended for improvements. An amendment to the Repayment Agreement will need to be signed upon closure of the file where the exact dollar amount on the original Repayment Agreement is not the actual amount used.
 5. The Repayment Agreement and any Amendments to the Agreement shall be filed with the proper recording office in such a manner as to create a valid lien against the property. It is the responsibility of the HRA to record the Repayment Agreement.
 6. If any loan funds are used for purposes other than an eligible improvement upon an eligible property or if the homeowner application is found to contain a material misstatement of fact, the homeowner shall be liable for repayment of all or part of the originally approved loan funds. In addition, any fraudulent use of funds may subject the recipient to fines and/or imprisonment under the Minnesota Criminal Code.

Post-Construction Documents

- Contractor Invoices

Invoices must be obtained from each firm or individual contracted to perform work on the residence (a general contractor can submit invoices on behalf of a subcontractor). Invoices must be provided for all payments, interim or final. Invoices submitted to the HRA must be originals and not copies. Payments are typically processed the following Monday providing that the invoice was received by 4:30 pm on Wednesday.

- Lien Waivers

A copy of all lien waivers referred to in the sworn construction statement, plus the lien waiver from the contractor holding the Work Contract must be included in the file. The original lien waivers, which must be secured before any payment is released, are to be passed onto the homeowner following closeout of the file.

- Completion Certificate

The homeowner, inspector, and grant administrator should sign this form when the work is completed. If the approval of more than one inspector is required, then copies of the inspection notice(s) should be attached. Note: In certain circumstances, when the inspector and grant administrator have determined that the project was completed per the Work Contract and the work is of acceptable quality, payment may be made to the contractor without the signature of the homeowner on the Completion Certificate.

- Complaint Record

This form should be used to document any complaints brought to the attention of the HRA, pertinent to the administration/implementation of the program and the response of the HRA to the complaint

- Acknowledgment of Receipt of Post-Construction Documents

After work has been completed, this form would be sent to the homeowner with documents such as the lien waiver(s) and copy of recorded Repayment Agreement. The homeowner would acknowledge receipt of the documents and return the form to the HRA for inclusion in client's file.

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PART IV: RULES

Lead Based Paint Hazard Requirements

- The following procedure will be followed for all homeowners:
 - A. Discussion of the Lead Based Paint (LBP) requirements will take place at the initial meeting with HRA staff as well as receipt of the Lead Hazard Information pamphlet. The Certification of Receipt of LBP information will be signed by the applicant and kept in the applicant's file.
 - B. The Rehabilitation Inspector will perform a visual assessment during the regular rehab inspection. The Visual Assessment will identify the presence of any interior and exterior deteriorating paint. The inspector will document the presence of any deteriorated paint.
 - C. If deteriorated paint is found in a home built before 1978 and lead hazard reduction work may be needed because painted surfaces will be disturbed during rehab, the appropriate level of lead testing and other action will be initiated. The HRA can also assume there is LBP and treat appropriately rather than test.
 - D. If further evaluation is needed, the HRA will contract with a certified Risk Assessor to perform the necessary tests to determine if and where there is a lead hazard risk. The Assessment report identifies the presence and location of LBP and the areas that should be addressed. Costs of hiring a Risk Assessor can be rolled into the Rehab loan.
 - E. If LBP is found, the homeowner will be notified of the presence and location of LBP by the HRA. As a condition of receiving funding, LBP hazards must be addressed and lead safe work practices will be required for all rehab work that disturbs painted surfaces. Appropriate lead hazard reduction measures must also be incorporated into the Scope of Improvements. Clearance of the unit will also be required. A copy of the clearance reports will be given to the homeowner and kept in the homeowner's file.

Repayment of Assistance

Repayment of the deferred payment loan shall occur upon the earliest of:

- Sale, transfer, or conveyance of the property
- The property ceases for any reason to be the loan applicant's principal place of residence.

At the time of repayment, the HRA will prepare and execute a Satisfaction of Repayment. The Satisfaction of Repayment will be sent to the Title Company (if one is involved in the

transaction), who will be responsible for recording the Satisfaction with the County. If a Title Company is not involved the Satisfaction of Repayment will be sent to the homeowner and it will be the Homeowner(s) responsibility to record the Satisfaction of Mortgage with the County.

Forgiveness of Indebtedness

Indebtedness of the principal shall be forgiven at a rate of 10% of the original principal amount per year commencing at the end of the tenth year of the HRA loan. The loan will be completely forgiven after the twentieth year. At the time of the forgiveness, the HRA will prepare and execute a Satisfaction of Repayment. The Satisfaction of Repayment will be recorded with Hennepin County by the HRA and a copy of the Satisfaction will be sent to the homeowner.

Subordination Policy

A. The following information must be provided before a request for loan subordination can be considered:

- Current first mortgage balance, interest rate and term.
- Proposed loan amount, interest rate and term.
- Reasons for new financing and use of proceeds by amount. If financing will be used for home improvements, specific information on the proposed home improvements must be provided.
- Good Faith Estimate
- Copy of appraisal
- Types and amounts of any other indebtedness on property. Including balance, rate and term.
- Household's verified income and size.
- Full name, address, telephone number, contact person and e-mail address of new lender.
- Date subordination agreement is needed (must be at least two weeks from the date of the request).

B. Information provided will be analyzed to determine the appropriateness of subordination of the HRA's mortgage. All of the following criteria must be met before subordination can be approved:

- All current and proposed property liens, including the Housing Rehabilitation Loan, equal less than 95% of the appraised value of the property.
- The subordination is necessary to refinance the principle balance of existing prior liens on the property and will facilitate a rate reduction, term reduction and/or principal reduction plus any costs to finance additional eligible home improvements. No cash may be taken out as a result of refinancing. However, the fees incurred to refinance will be an allowable expense.
- All home improvements must be eligible under the Home Rehabilitation guidelines and the homeowner is required to submit documentation of cost for all improvements as a condition of the subordination.

- The uses for the new financing must be justifiable as an appropriate use of public funds to warrant subordination of the public funding.
 - The household income of the homeowner must not be greater than 125 percent of current CDBG maximum income guidelines.
 - The borrower(s) must correct any errors and omissions relating to their loan as a condition of the HRA granting a subordination request. This requirement would include but not be limited to documents that are not signed (but the intent was to have them signed), documents with clerical errors and/or documents that are missing or destroyed.
- C. If the above criteria are not met, the HRA will not subordinate its mortgage. The client will then need to obtain financing that is subordinate to the HRA's mortgage, pay-off the HRA's loan as a condition of the new financing, obtain non-mortgage financing, or forgo the additional financing.
- D. Appeals regarding interpretation of subordination requirements may be made in writing to the HRA's Executive Director and then to the HRA Board of Commissioners. Requests for appeal which clearly do not meet the subordination requirements, will not be considered.

Funding for Emergency Repairs

The HRA will also set aside a portion of the budgeted rehab funds to be used for Emergency Repairs. The amount of funds will be set by staff based on anticipated demand for the program and balance of rehab fund. The guidelines for Emergency Repair Program shall be the same as those contained herein except as specified in the Emergency Repair Program Summary (a separate document).

Modification and Termination of Program

The Plymouth HRA may amend the Procedural Guidelines from time to time by issuance of revised pages, which shall be effective as of the date of issue, or such later date as the amendment shall specify. Administrative memoranda may also be issued which discuss policy interpretations, clarification of procedures and other administrative matters.

Additional Provisions

- Maximum Loan to Value

The lien identified in the Repayment Agreement must be collectable. All existing mortgages, contracts for deed, and other encumbrances, including the Repayment Agreement, must not exceed 110% of the market value of the property. Market value will be determined by the most recent assessed value of the property. If the homeowner has a current appraisal, the appraisal may be used to determine the market value of the property if necessary to show sufficient equity. This requirement may be waived at the discretion of the HRA Executive Director.

- Previous Rehabilitation Loans

No property shall be eligible for a housing rehabilitation loan if it has been improved with a Plymouth HRA rehabilitation loan within the 10-year period immediately preceding the date on which application for such a loan is made. An exception may be made in extraordinary circumstances from damage to the property as a result of events beyond the control of the applicant or relating to health and safety concerns, such as failure of plumbing, heating or electrical systems, or as determined by HRA staff. In such circumstances, provided that funding is available, the applicant can receive assistance limited to correcting the damaged or failed system(s) only. No other eligible work can be carried out until the full 10-year period has elapsed.

Applicants with a previous rehab loan from over 10 years ago will be limited to essential repairs such as correcting health and safety hazards or repair of major systems, such as plumbing, electrical, or heating failure. Until the previous rehabilitation loan is forgiven, no additional work will be allowed unless it is determined by HRA staff to be essential.

- Previous Foreclosures

Applicants will be determined ineligible for future assistance if they had a previous Rehabilitation loan from the HRA in which the assistance they received was forfeited due to foreclosure of the property within the previous 5 years. If the foreclosure occurred over 5 years from the date of the new Rehabilitation application and the applicant has re-established their credit from a reliable first-tier mortgage company, they may be considered for eligibility to the loan program again.

- Total Amount of Assistance

The total amount of assistance received through the Plymouth HRA for all HRA programs including the Housing Rehabilitation, First Time Homebuyer, and Emergency Repair Grant Programs cannot exceed \$60,000.00. This limit may be waived on a case-by-case basis at the discretion of the HRA Executive Director.

- Home Maintenance and Housekeeping

Homeowner must be capable of maintaining the home. Loans will not be approved if the condition of the home demonstrates that the homeowner is not able or willing to properly maintain a home. This requirement includes housekeeping problems as well as neglectful maintenance.

- Flood Insurance

The administering entity will comply with the flood insurance purchase requirements of Section 102 (a) of the Flood Disaster Protection Act of 1973, Pub. L. 93-234, 87 Statute. 975, approved December 31, 1973. Section 103 (a) requires the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any federal financial assistance for construction or acquisition purposes for use in any

area that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phrase "federal financial assistance" includes any form of loan, guarantee, insurance payments, rebate, subsidy, disaster assistance, loan, or any other form of direct or indirect federal assistance.

- Local Codes

Each improvement must be made in compliance with all applicable health, fire prevention, building and housing codes and standards. However, no application for a loan shall be denied solely because the improvements will not bring the property into full compliance with all such codes and standards.

Further, when work is done on any system within the house, upon completion of the work, that entire system must meet applicable codes and standards. The entire structure may still contain other systems that are not up to applicable codes and standards, on the condition that no work was done on these systems.

- Federal, State and Local Regulations

Nothing in the Procedural Guide shall be construed in such a manner as to conflict with, alter, or amend any Federal, State and Local regulations.

- Certifications

1. The HRA is legally authorized and constituted to administer the Housing Rehabilitation Loan Program in the State of Minnesota.
2. No payments, fees or remuneration of any type whatsoever have been solicited or received from any applicants or qualified homeowners.
3. After reasonable inspection, the HRA has no knowledge that any improvement covered by the loan is in violation of any applicable zoning law or regulation.
4. Any employee of the City of Plymouth who is authorized to sign or countersign checks, drafts or to certify vouchers shall be covered by a surety bond of not less than \$1,000,000; such an employee must be an authorized signatory as evidenced by a written instrument of the governing body.
5. The HRA shall maintain documentation accounting for all funds received through the collection of liens as prescribed in the Repayment Agreement.

- Prohibition of Service Fee Charges

No applicant shall be charged any application, processing, or other fee.

- Cost Reasonableness Standards

1. To ensure that cost reasonableness standards as outlined in OMB Circular A-87 are complied with, all proposed work will be described in a Scope of Improvements (see page 22) in such detail that competitive bids may be readily obtained. The Scope of

Improvements will specify brand, type, and/or quality of the materials to be used as appropriate.

2. Homeowners shall provide the Scope of Improvements to each contractor when obtaining bids. A minimum of two directly comparable bids must be received for each work item in the Scope of Improvements. Bids must specify brand, type, and/or quality of materials included and must itemize costs for each item in the Scope of Improvements. Contractors may suggest additional work needed and/or list optional upgrades, but those items must be listed separately from the Scope of Improvements work items in the bid. All bids must be signed and dated by the Contractor.
3. The HRA Inspector will use the Scope of Improvements when making inspections to determine compliance with the Scope and City codes.

- Sweat Equity

With HRA approval, the homeowner, or other individuals acting on homeowner's behalf, may perform some or all of the improvements without compensation for labor. The performer of the work must demonstrate competence to the HRA as to his/her skill and ability to perform specified work by a designated date. This may be accomplished by means deemed appropriate by the HRA on a case-by-case basis, and may include providing copies of professional licensing, conducting a verbal interview with a City Housing Inspector, and/or other methods. Homeowners with a history of failure to complete previous construction work, or of non-compliance under City codes and ordinances or the terms of this program, will not be eligible to perform sweat equity.

All purchases of project materials must receive prior approval from the HRA or they will not be eligible for reimbursement through the Rehabilitation Loan.

Counseling/ Training Requirements

- Credit Counseling

Those clients in need of credit counseling will be referred to Community Action Partnership of ~~Suburban Hennepin~~ Hennepin County (CAPSHCAP-HC). CAP-HCCAPSH is a non-profit 501c (3) community action agency serving Plymouth and a number of other west suburban communities. Homeowners who appear eligible for one of MHFA's programs, but who indicate they have a mortgage delinquency or other credit problems, will first be encouraged to participate in a credit counseling program.

After credit problems have been satisfactorily resolved, the deferred loan applications can be forwarded to Hennepin County Housing, Community Works and Transit for eligibility assessment of MHFA programs.

Applicants for MHFA's Fix-Up Fund and Deferred Loan Program will be referred to a local lender. All applications rejected for MHFA funding may be eligible for City assistance according to CDBG guidelines. Homeowners unwilling to pursue counseling assistance or who are unwilling to resolve existing credit issues independently will find

City funding restricted to certain essential improvements. Funding for these applicants would be limited to the following repairs in the priority given:

1. Emergency health and safety.
2. Public sewer and water hook-up.
3. Major structural work, where the home's structural integrity (i.e. foundation, beams, walls and roof) is compromised and is in need of prompt repair to prevent further damage or deterioration to the home.
4. Major internal systems (i.e. plumbing, heating, water, electrical) that are functional but need replacement or upgrading under current code requirements. Other code violations

- Home Maintenance and Weatherization Training

Clients in need of this training will be urged to attend, as classes are available. Funding may be restricted to the essential improvements cited above for clients who are unwilling to attend these or other workshops sponsored by Community Action Partnership of Suburban Hennepin (CAPSH).

- Human Service Counseling

Clients in need of counseling will be referred to appropriate human service agencies for assistance. If the client refuses the referral and staff determines counseling is required in order to allow the rehab to proceed, no further assistance will be allowed.

Dispute Resolution

Occasionally a party (homeowner or contractor) may have a reason for disputing an HRA action. In the event that such a dispute does occur, the disputing party should submit his/her comments in writing to the Housing Program Manager with a request for action to see if the problem can be resolved administratively.

If the problem cannot be resolved administratively within a 30-day time period, the disputing party will state his/her position, in writing, to the HRA's Housing Program Manager. He/she may request that the issue be placed on the agenda of a regularly scheduled HRA meeting or may be heard by a designee(s) of the HRA. The party will then be given the opportunity to appear before the HRA and request specific action to resolve the dispute. The issue will be put on the agenda within 30 days of the date the written request was submitted to the Administrator.

APPENDIX A: DEFINITIONS

- **Accessibility Improvements**
Improvements to a dwelling, designed to enable a disabled person to function independently in a residential setting, such as provisions for adequate space for maneuvering, access and egress, (both in exterior and interior spaces), and installation of equipment to facilitate ease of use.
- **Applicant**
An individual or household submitting an application for a loan
- **Application**
The form used to request assistance for the City of Plymouth's Housing Rehabilitation funds.
- **Assets**
Cash, bank accounts, bonds and cash value of insurance policies, cash value of recreational vehicles and any other personal property excluding automobiles, clothing and furniture.
- **Calculation of Need Form**
The form based on similar information and calculations as developed by the Minnesota Housing Finance Agency in the use of their Rehab Loan Program and funding guidelines.
- **CAPSHCAP-HC**
Community Action Partnership of ~~Suburban Hennepin~~Hennepin County. A non-profit agency working in all of Suburban Hennepin County to assist low-income people with services to individuals through outreach, energy assistance programs, homeownership services and financial counseling.
- **CDBG**
The *Community Development Block Grant* Program, an annual entitlement program provided to the City of Plymouth through the U.S. Department of Housing and Urban Development (HUD)
- **City**
The City of Plymouth
- **CEE**
The *Center for Energy and Environment*, a non-profit agency that administers Reliant's Weatherization Assistance Program.
- **Date of Loan Approval**
The date all required parties sign the repayment agreement.

- **Debt-to-Income Ratio**
The debt-to-income ratio (DTI) is derived by dividing the total of household's fixed monthly expenses by the household gross monthly income.
- **Disabled Person**
A person who has a permanent physical condition which substantially impairs the ability to function independently in a residential setting, or which substantially limits the ability to become employed or to participate in the community. A person with a condition such as chronic emphysema, arthritis, heart disease and other "invisible" conditions not requiring the use of devices to increase mobility shall not be deemed a handicapped person, **unless a licensed physician verifies in writing** that a particular condition does substantially limit the ability to function independently in a residential setting, to become employed or to participate in the community.
- **Elevated Blood Level**
A lead content of 10 ug/dl (micrograms per deciliter) with a lead content of 20 ug/dl (micrograms per deciliter) in one test triggering an inspection.
- **Emergency Situation**
A condition requiring immediate and urgent attention, which threatens or imperils the health and/or safety of the applicant household, such as the failure of plumbing, heating and electrical systems or a system being "red flagged" by a utility company. The written opinion of the City Building or Housing Inspector detailing a code or safety violation or violations may, at the discretion of the Community Development Coordinator, be an acceptable definition of an emergency situation.
- **Fixed Income**
Income from assistance programs funded by public dollars, including SSI Social Security, disability payments, etc..., that a household receives on a recurring (i.e. monthly) basis at a predetermined amount. Otherwise, an income from a pension or investment set at a particular figure that does not vary, and is received on a recurring basis.
- **Guidelines**
The set of standards, criteria, and specifications to be used in administering the Program.
- **Hennepin County Housing, Community Works and Transit**
The Hennepin County Housing, Community Works and Transit; a Hennepin County agency that processes MHFA housing rehabilitation loans.
- **Household**
All persons residing in one housing unit; which may include one or more families, a single person, a married couple, or two or more unrelated persons.
- **Household Gross Income**
The annual income of all residents of the applicant's household, as determined in accordance with these guidelines.

- **Housing Rehabilitation Deferred Loan**
The commitment of funds on behalf of qualified homeowners for the purpose of making eligible improvements to eligible properties.

- **HRA**
The Housing and Redevelopment Authority in and for the City of Plymouth, Minnesota; which administers Plymouth's Housing Rehabilitation Program.

- **HUD**
The United States Department of Housing and Urban Development. The principal Federal agency responsible for implementing certain federal housing and community development programs.

- **Lead Based Paint**
Any paint surface with lead content greater than, or equal to, 1 mg/cm², 0.5% by weight, or 5,000 parts per million.

- **Loan Documents**
Consists of all applicable documents listed as follows:
 - Homeowner Application for Deferred Loan
 - Authorization to Release Information
 - Individual Data Confidentiality
 - Lead-Based Paint Poisoning Notification (*if applicable*)
 - Federal Income Tax Returns for the two previous years
 - Income Verification
 - Asset Verification
 - Recent Bank Statements
 - Mortgage Status Verification (*if applicable*)
 - Association Dues Status Verification (*if applicable*)
 - Title Verification
 - Property Inspection Report
 - Scope of Improvements/Work Proposal
 - Contractor Bids
 - Work Contract
 - Amendment Request Certificate (*if applicable*)
 - Contractor Bills
 - Sworn Construction Statement
 - Lien Waivers
 - Completion Certificate
 - Data on Individual Loans
 - Repayment Agreement

- **MHFA**
The Minnesota Housing Finance Agency; a Minnesota State agency that administers a variety of housing rehabilitation loan programs.
- **Mortgage**
The conveyance of an interest in real property given as security for the payment of a loan.
- **Program**
The HRA's Housing Rehabilitation Program
- **Homeowner (borrower)**
An individual or household meeting the requirements of the Eligible Recipients section who receives a loan.
- **Repayment Agreement**
A document that places a lien against borrower properties improved with program funds. The precise terms of the lien are spelled out in the Repayment Agreement.
- **Resident**
A person, other than a renter, living in the household for at least nine months of the year.
- **Satisfaction of Repayment**
A document releasing a Mortgage lien, indicating the borrower has paid the debt in full.
- **Work Contract**
A program document executed by the borrower and the contractor which establishes the terms and conditions under which program funded work will be carried out. The HRA is NOT a party to the contract.

FIRST TIME HOMEBUYER PROGRAM

GUIDELINES



**CITY OF PLYMOUTH
HOUSING AND REDEVELOPMENT AUTHORITY
3400 Plymouth Boulevard, Plymouth, MN 55447**

Revised ~~May 2019~~ January 2020



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PART I: GENERAL PROGRAM DESCRIPTION

Program Overview

The Plymouth Housing and Redevelopment Authority (HRA) operate an assistance program for homeownership funded by the City of Plymouth's Community Development Block Grant (CDBG) Program. The HRA operates this program on behalf of and as the agent of the City of Plymouth. The First Time Homebuyer Program provides financial assistance for low- and moderate-income Households to become homeowners.

Administration of the First Time Homebuyer Program and the functions and responsibilities of the HRA staff shall be in compliance with the U.S. Department of Housing and Urban Development (HUD) CDBG regulations as well as all Federal, State and local nondiscrimination laws and with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment.

The HRA shall not deny any Family or individual the equal opportunity to apply for or receive assistance under the First Time Homebuyer Program on the basis of race, color, gender, religion, creed, national origin, age, familial or marital status, handicap or disability, sexual or affectional orientation or reliance on public assistance.

The Plymouth HRA's office is accessible to persons with disabilities. Accessibility for the hearing impaired is provided by the Minnesota Relay Service and the City of Plymouth TDD.

Program Goals

The First Time Homebuyer Program has the following two goals:

- a. Assist low- and moderate-income families to purchase homes within the City of Plymouth by providing assistance with down payment, closing costs and mortgage principal reduction.
- b. Promote responsible home ownership.

Program Administration

The Program will be administered through the Plymouth HRA. Interested applicants should contact the Plymouth HRA staff by calling (763) 509-5410, emailing housing@plymouthmn.gov, or appearing in person at 3400 Plymouth Boulevard, Plymouth, MN 55447.

Purpose of the Program Guidelines

The purpose of these Guidelines is to establish policies for carrying out the First Time Homebuyer Program in a manner consistent with HUD requirements and local goals and objectives contained in the Consolidated and Annual Action Plans. The HRA is responsible for complying with all changes in HUD regulations pertaining to the CDBG program. If such changes conflict with these Guidelines, HUD regulations will have precedence. Applicable regulations include:

- 24 CFR Part 5: General Program Requirements
- 24 CFR Part 8: Nondiscrimination
- 24 CFR Part 570: Community Development Block Grant
- 24 CFR Part 35: Lead Based Paint Regulations

PART II: PROGRAM POLICIES & PROCEDURES

Financial Assistance

The HRA provides financial assistance to homebuyers to more readily secure a first mortgage. The Program assistance may be used to:

- ◆ Pay up to 50 percent of the amount the homebuyer(s) is required to provide toward the down payment under the particular mortgage program they are utilizing, not to exceed \$5,000.
- ◆ Pay up to 100 percent of the homebuyer's eligible closing costs not to exceed \$7,500. Borrowers are not permitted to use Program funds for interest rate buy downs unless documentation is provided from the lender that shows the buy down is necessary to secure their primary mortgage. Eligible closing costs do not include optional insurances (i.e. optional owner's insurance policy etc.).
- ◆ Reduce the mortgage principal up to 15% of the purchase price, not to exceed \$30,000
- ◆ The applicant (s) Housing (DTI) Debt to Income Ratio must be at least 25%, but cannot exceed 45% of their gross monthly qualifying income.

The financial assistance will be provided at a minimum amount of \$3,000.00 and a maximum amount of \$35,000.00. In certain situations, the HRA Executive Director may allow assistance in excess of the maximum at their discretion. The HRA will make a determination on the amount of assistance for which an applicant qualifies. The HRA will make this determination after reviewing the applicant's verified income and assets, estimated Closing Costs, purchase agreement, and lender's recommendations for financial assistance in compliance with uses described above. Lenders must provide a pre-approval letter indicating the maximum amount of financing the borrower would qualify for from the first mortgage lender.

The HRA will verify an applicant's income and assets through third party written verifications as provided by either the lender or as sought by the HRA. The HRA may re-verify income and asset information provided by the lender. The HRA will calculate the applicant's Gross Annual Income using pay stubs and recent tax returns or third party verification as defined in Appendix A to ensure

the Applicant(s) qualifies as a low- or moderate-income Household as required by CDBG regulations and to determine the maximum amount of assistance.

Financial assistance will be provided at the time of Closing on the property with the following conditions:

- ◆ Selected applicants must meet the requirements of this Program and be eligible for the financial assistance throughout the entire application process.
- ◆ The housing unit to be purchased and the purchase price must be accepted by the HRA as meeting the intent and requirements of the program.
- ◆ The financial assistance provided by the HRA is in the form of a no interest deferred payment loan that is due and payable 30 years from the initial purchase date or when the house is sold, transferred or no longer the primary place of residence, whichever occurs first.
- ◆ The homebuyers must enter into a second mortgage and execute a Promissory Note with the HRA providing for repayment of the indebtedness 30 years from the initial purchase date or when the house is sold, transferred or no longer the primary place of residence, whichever occurs first.

Responsibilities of the First Time Homebuyer

The responsibilities of the prospective homebuyers are to:

- ◆ Complete, sign and return the Application, Authorization for the Release of Information form, and other certification and verification forms within the time frame specified.
- ◆ Register and attend the Home Stretch - Home Buyers Workshops offered by Community Action Partnership of Hennepin County (CAP-HC). Classes must have been completed within 12 months prior to closing. Classes offered through other agencies or realtors may be substituted with prior approval of the HRA. Applicants must also attend an individual counseling session with a Housing Counselor at CAP-HC. If CAP-HC recommends that the applicant is not ready to purchase a home, the HRA may not provide assistance until the applicant has satisfied staff concerns. The applicant will be provided with a certificate of attendance. A copy of this certificate should be forwarded to the lender and the HRA.
- ◆ Select a lender approved by the HRA for participation in the Program.
- ◆ Complete the pre-approval process.
- ◆ Select a real estate agent, if one is desired.
- ◆ Select a dwelling in Plymouth for purchase that is owner-occupied or vacant and is an eligible dwelling under the Program.
- ◆ Provide information throughout the process as required by the lender or HRA.
- ◆ Execute a purchase agreement.
- ◆ Execute the lender's mortgage and related documents.
- ◆ Execute the HRA's Mortgage and Promissory Note.
- ◆ Have the seller execute the HRA's disclosure to seller form.
- ◆ Close on the property within the time frame specified.
- ◆ Execute other required forms within the time frame specified or required.
- ◆ Take occupancy of the dwelling within 30 days after Closing, homestead the property, and continue to occupy the dwelling as your Principal Place of Residence.

- ◆ Make principal, interest, property tax and insurance payments as required.
- ◆ Reimburse the HRA in accordance with the HRA's Mortgage and Promissory Note should the First Time Homebuyer trigger repayment through sale, moving, transfer of ownership, or foreclosure within 30 years or default on any other terms of these documents.

Responsibilities of the Lender

The lender must:

- ◆ Verify the prospective homebuyer's income and assets to determine that the Family meets the requirements of the Program and submit a copy of the verification to the HRA. These copies must be submitted to the City at least five working days prior to the applicant signing a purchase agreement.
- ◆ Compute the Mortgage, Down Payment, Mortgage payments and Closing Costs of Acceptable Loans approved by the Program to determine the most cost-effective and appropriate form of financing for the First Time Homebuyer to use.
- ◆ Provide a title search and review the documents.
- ◆ Provide the HRA with a pre-approval letter stating the maximum mortgage amount the applicant is approved for.
- ◆ Provide the HRA other verification materials as requested by the HRA.
- ◆ Process a mortgage consistent with the Program.
- ◆ Meet all deadlines in a timely fashion, especially those that relate to the Closing. All documents must be completed at least 10 days prior to the Closing and be delivered to the HRA at least seven days before the Closing.
- ◆ Appraise property to determine the loan-to-value ratio.

Responsibilities of the HRA

The responsibilities of the HRA for the Program are to:

- ◆ Establish Program requirements and administer the Program.
- ◆ Send applicants the application form, the authorization for release of information form and other certification and verification forms.
- ◆ Review the Application and other material for eligibility.
- ◆ Establish the pool of eligible participants and make selections for participation in accordance with the selection provisions.
- ◆ Notify applicants when ineligible.
- ◆ Direct prospective buyers to register for the CAP-HC homebuyer workshops and provide information and forms related to the Program.
- ◆ Provide liaison services involving the prospective buyer, lender and any real estate agent that might be involved in the transaction.
- ◆ Review appraisal, purchase agreement, eligibility and mortgage for consistency with the Program requirements.
- ◆ Prepare and execute the HRA mortgage and promissory note.

- ◆ Provide financial assistance according to Program guidelines to the applicant at the time of Closing.
- ◆ Service the HRA mortgage.
- ◆ Modify or terminate the Program as may be appropriate or required.

Application to the HRA

It is the responsibility of each applicant to assure that the HRA receives his or her application. Only applications with original signatures will be accepted. At the time of application, applicants must provide the HRA with the following information and meet the eligibility requirements:

- ◆ Names of all Family and household members
- ◆ Address and telephone number
- ◆ Social Security numbers of all adults
- ◆ Date of birth of all Family members
- ◆ Number of adults in Family
- ◆ Number of children in Family
- ◆ Total Gross Annual income from all sources (i.e. employment, social security income, child support, etc.) with pay stubs and three years of tax returns as documentation
- ◆ Bank statements, financial statements and all other document(s) that verify Gross Assets.
- ◆ Employer's name (Company Name)
- ◆ Address and phone number of each employer
- ◆ Length of time (in years and months) at present address
- ◆ Last three previous addresses
- ◆ Indication if applicant ever owned a home

Summary of the Application Process

The following is a summary of the application process.

- ◆ The applicant registers for and attends the homebuyer workshop series through Community Action Partnership of Hennepin County (CAP-HC).
- ◆ The applicant arranges for and attends a private housing counseling session with Community Action Partnership of Hennepin County (CAP-HC).
- ◆ The applicant selects a participating lender and applies for mortgage pre-approval.
- ◆ The applicant completes and submits a First Time Homebuyer application and authorization for release of information form to the HRA with a mortgage pre-approval letter from the lender.
- ◆ The applicant searches for a home in Plymouth.
- ◆ The applicant enters into a Purchase Agreement and contacts the lender.
- ◆ The lender authorizes appraisal of home.
- ◆ The lender confirms applicant's mortgage eligibility and approves purchase.
- ◆ The lender contacts the HRA with supporting documentation.
- ◆ The HRA arranges for a lead-based paint hazard inspection of the property, if the dwelling was built prior to 1978.

- ◆ The HRA reviews appraisal, Purchase Agreement, Good Faith Estimate, and eligibility verification for consistency with program goals and requirements.
- ◆ The HRA issues an approval letter.
- ◆ The HRA prepares the closing documents required by the City's Program Guidelines.
- ◆ The HRA attends the Closing. At the Closing, the HRA has the borrower sign the required closing documents and financial assistance is provided in the form of a second mortgage.

Eligibility Requirements

To be eligible to participate in the Program, the applicant must meet the following requirements at the time of application and throughout the process up until Closing.

- ◆ Must qualify as a Family, as defined in Appendix A.
- ◆ Must be a U.S. citizen or have legal immigration status.
- ◆ Must be a First Time Homebuyer, as defined in Appendix A.
- ◆ Must not have a Gross Annual Income that exceeds the maximum income limits which are revised annually to reflect the current year's CDBG maximum income limits.
- ◆ Must not have Gross Assets exceeding \$25,000.00, which excludes one automobile per adult permanently residing in the home.
- ◆ Borrowers are required to invest at least \$1,000.00 of their own monies towards the purchase price of the home. Funds from public program(s) cannot be used as part of the Homebuyers minimum portion of the down payment.
- ◆ Must meet the requirements of a Lender and qualify for a first mortgage.
- ◆ Must fulfill the Program obligations in a timely manner and must remain eligible to participate based on the program requirements and those of the lender through the time of Closing.
- ◆ Must not have a previous loan through the Plymouth HRA that ended in foreclosure or any other loan that ended in foreclosure within the previous five years.
- ◆ Must meet the requirements as specified elsewhere in these Guidelines.

Denial of Eligibility

The HRA will review and verify all applications for eligibility. Those applicants not meeting the eligibility requirements will be sent a written notice explaining the reason(s) for denial of Program participation.

Appeals regarding interpretation of eligibility requirements may be made in writing to the Housing Program Manager, HRA's Executive Director and then to the HRA Board of Commissioners. Appeals that clearly do not meet eligibility requirements will not be considered.

Eligible Dwellings

To be eligible the property must meet the following requirements:

- ◆ Be located within the City of Plymouth.

- ◆ Be a single-family dwelling, a townhouse unit, or a condominium unit.
- ◆ Be a conforming use as defined by the Plymouth Zoning Ordinance.
- ◆ Be free of lead-based paint hazards at the time of Closing.

The HRA may require an inspection of the dwelling for compliance with the Plymouth Housing Code (Uniform Housing Code). The HRA will require an inspection of all dwellings built prior to 1978 for compliance with HUD's lead-based paint hazard regulations. If lead-based paint hazards are found, lead clearance will be required prior to Closing.

Applicant Outreach

The HRA will publicize and disseminate information to make known the availability of homeownership assistance on a regular basis through a variety of media and by other suitable means. The availability of assistance will be communicated to other service providers and Realtors in the community and advise them of the guidelines so that they can make proper referrals for the Program. Realtors will be encouraged to provide additional services to eligible clients to ensure their successful utilization of the program.

Applicant Pool

The applicant pool for the Program shall consist of all those who have completed and returned to the HRA a complete application, written verification from their lender of pre-approval, and who are determined by the HRA to be eligible.

Selection from the Applicant Pool

As funds are available, applicants will be selected from the applicant pool on a first come, first serve basis. Eligible applicants will be selected for funding when they or their lender notify the HRA of the applicant's approved purchase agreement and mortgage. If funding is limited and more than one applicant is at the purchasing stage, the HRA will provide funding to the applicant who qualifies for the most preference points.

Preference points have been established to meet the goals of the HRA. Each preference category is worth one (1) point. The maximum points any one Family could receive are five (5) points. Families with the highest point totals will be selected first. In the event of a tie, a drawing or lottery will be held to rank the applicants within each of the preference categories.

- ◆ Applicant with dependents under age 18
- ◆ Live in Plymouth at least 90 days prior to Closing
- ◆ Head or co-head has primary, long-term employment in Plymouth
- ◆ Currently holding a Plymouth Section 8 Voucher
- ◆ Never owned a home (versus having owned a home over three years ago)

Selection from the applicant pool is tentative and conditional. Families selected for participation must fulfill the Program obligations in a timely manner and must remain eligible to participate based on the program requirements and those of the lender through the time of Closing.

Lender Outreach

The HRA will solicit lender participation as needed. The HRA will review requests from lenders to be approved as a participating lender of the First Time Homebuyer Program. The lenders must be FHA and MHFA approved and exhibit a willingness to provide mortgage products to low- and moderate-income Households.

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PART III: PROGRAM RULES

Lenders

All lenders must be a Minnesota Mortgage Program Lender as approved by Minnesota Housing. Applicants should check the Minnesota Housing website at www.mnhousing.gov to determine whether a lender is approved to participate in the Plymouth FTHB program. Lenders and their representatives must also be willing to participate in the Plymouth First Time Homebuyer Program. Applicants should ask the lender if they have received the City of Plymouth's Program Guidelines and if they are familiar with the process.

It is the applicant's responsibility to make arrangements for obtaining pre-qualification(s) or pre-indication of approval and for making an application for a mortgage. A letter from the lender indicating the amount of the mortgage for which the applicant pre-qualifies must be provided with each application. The same lender must be used when the applicant goes for pre-approval of a mortgage prior to the purchase of a home, so it is recommended that the applicant selects the lender carefully.

Declarations of Restrictive Covenants

From time to time, declarations of restrictive covenants may be placed on properties as a condition of First Time Homebuyer assistance. Declarations of restrictive covenants are placed on select properties to ensure that these properties are owned by low- and moderate-income households in the future, even after subsequent sales. Declarations of restrictive covenants may also restrict the resale price of select housing units in an attempt to keep the units affordable.

Lead Based Paint Hazard Requirements

- ◆ All applicants purchasing a dwelling built prior to 1978 will be provided with a lead based paint brochure and must sign a certification of receipt of the brochure.
- ◆ As a condition of funding, the applicant will be required to purchase a home free of Lead Based Paint (LBP) hazards. If the dwelling was built prior to 1978, a visual assessment for deteriorated paint will be done by City staff. Applicants will be informed that the inspection is only to determine the presence of deteriorated paint and they may also want to obtain a complete Home Inspection from a certified Home Inspector.
- ◆ If deteriorated paint is found, the HRA will contract with a certified Risk Assessor to perform the necessary tests to determine if there is a lead hazard risk. A copy of a clean Lead Risk Assessment report must be submitted to the HRA before the home is approved for assistance. If the applicant refuses, the property will not be eligible for assistance. The applicant will need to find another house that is or will be made LBP risk free in order to qualify for assistance.
- ◆ If LBP risks are found, stabilization of the defective paint, cleanup and clearance will be required before funds are approved for assistance. The presence of LBP risks should be treated like any other defect found during an inspection and may be negotiated between buyer and seller. Clearance will be required before the home can be safely occupied and will assure that there are no remaining lead hazards.

Repayment of Assistance

Repayment of the deferred payment loan shall occur upon the earliest of:

- ◆ Sale, transfer or thirty years from the initial purchase date, when the HRA Mortgage becomes due and payable.
- ◆ The property ceases for any reason to be the homebuyer's principal place of residence.
- ◆ Default on the mortgage with the HRA or any superior mortgage on the property.

At the time of repayment, the HRA will prepare and execute a Satisfaction of Mortgage. The Satisfaction of Mortgage will be sent to the Title Company, who will be responsible for recording the Satisfaction with the County. The HRA will send the homeowner a copy of the Satisfaction as well as the original Promissory Note indicating it has been satisfied.

Loan Modification

Generally, the HRA will require that all First Time Homebuyer loans be repaid. However, the HRA may modify loan agreements and/or waive repayment if the homeowner can document a hardship. Hardship may include the homeowner not having the resources to pay the HRA's loan back (requires a denial letter from one or more financial institutions) or the property value declining since the HRA's loan was taken out. In addition, the HRA may consider forgiving a portion or the entire loan amount if the homeowner is facing foreclosure and if forgiving the loan, or a portion thereof, will assist the homeowner in restructuring their mortgage so they can remain in the home.

The HRA will not consider forgiveness of the loan for the reasons stated above if the homeowner's reason for selling is to purchase a larger home unless there is severe overcrowding in the home. Severe overcrowding means that there are more than two persons per sleeping room in the home. A living room is considered a sleeping room for this purpose.

Hardship requests shall be made in writing to the Housing Program Manager and will be reviewed on a case-by-case basis. If the Housing Program Manager denies a hardship request, appeals regarding interpretation of the hardship provisions may be made in writing to the HRA's Executive Director and then to the HRA Board of Commissioners, which has the final say in the request. Appeals that clearly do not meet the hardship requirements will not be considered.

Subordination of Mortgages

The HRA may subordinate the First Time Homebuyer Program loan. The HRA will review and respond to all requests for subordinations within two weeks of the application date. The following information must be submitted before a request for subordination will be considered.

- ◆ Effective date of current first mortgage, current first mortgage balance, interest rate and term
- ◆ Proposed loan amount, interest rate and term.
- ◆ Reasons for new financing and use of proceeds by amount. If financing will be used for home improvements, specific information on the proposed home improvements must be provided.

- ◆ Good Faith Estimate.
- ◆ Copy of appraisal.
- ◆ Most recent assessor's market value of property.
- ◆ Types and amounts of any other indebtedness on property, including balance, rate and term.
- ◆ Date the First Time Homebuyer loan was filed with County and the document number.
- ◆ Household's verified income and size.
- ◆ Full name, address, telephone number, contact person and e-mail address of the new lender.
- ◆ Date subordination agreement is needed (must be at least two weeks from the date of the request).

Information provided will be analyzed to determine the appropriateness of subordination of the HRA's mortgage. The following criteria must be met before subordination of the loan will be considered.

- ◆ All current and proposed property liens, including the First Time Homebuyer loan, equal less than 95 percent of the appraised value of the property.
- ◆ The subordination is necessary to refinance the principle balance of existing prior liens on the property and will facilitate a rate reduction, term reduction and/or principal reduction plus any costs to finance additional eligible home improvements. No cash may be taken out as a result of refinancing. However, the fees incurred to refinance will be an allowable expense.
- ◆ All home improvements must be eligible under the Home Rehabilitation guidelines and the homeowner is required to submit documentation of cost for all improvements as a condition of the subordination.
- ◆ The uses for the new financing must be justifiable as an appropriate use of public funds to warrant subordination of the public funding.
- ◆ The household income of the homeowner must not be greater than 125 percent of current CDBG maximum income guidelines.
- ◆ The borrower(s) must correct any errors and omissions relating to their loan as a condition of the HRA granting a subordination request. This requirement would include but not be limited to documents that are not signed (but the intent was to have them signed), documents with clerical errors and/or documents that are missing or destroyed.

If the above criteria are not met, the HRA will not subordinate its mortgage. The client will then need to either obtain financing that is subordinate to the HRA's mortgage, pay off the HRA's loan as a condition of the new financing, obtain non-mortgage financing, or forgo the additional financing.

Appeals regarding interpretation of this Subordination Policy may be made in writing to the HRA's Executive Director and then to the HRA Board of Commissioners. Appeals that clearly do not meet the subordination requirements will not be considered.

Targeted Funding

At various times, the HRA may target Program funding for purchases in specific developments. Applicants purchasing in those developments would receive Program funding prior to all other applicants.

Total Amount of Assistance

The total amount of assistance received through the Plymouth HRA for all HRA programs including the Housing Rehabilitation, First Time Homebuyer, and Emergency Repair Grant Programs cannot exceed \$50,000.00. This limit may be waived on a case-by-case basis at the discretion of the HRA Executive Director.

Modification and Termination of Program

The HRA may modify or terminate the Program as it deems appropriate or as required by HUD. Once the HRA has provided financial assistance and the mortgage executed, financial assistance shall not be rescinded except as provided for in the executed HRA mortgage and promissory note.

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APPENDIX A

DEFINITIONS

Acceptable Loans – Conventional, Fannie Mae, FHA, VA and ARM's that at a minimum are at a fixed rate for the first seven years.

Applicant – An individual or household submitting an application for a loan.

Application – The form used to request assistance for the City of Plymouth's First Time Homebuyer funds.

ARM – An Adjustable Rate Mortgage is a mortgage that offers an initial rate that is fixed for a certain number of years of repayment; the rate then adjusts every year thereafter for the remaining life of the loan.

CAP-HC – Community Action Partnership of Hennepin County. An agency working in all of Hennepin County to assist low-income people with services to individuals through outreach, energy assistance programs, homeownership services and financial counseling.

CDBG – A Community Development Block Grant Program; which is an annual entitlement program provided to the City of Plymouth through the U.S. Department of Housing and Urban Development (HUD).

City – The City of Plymouth.

Clearance – A Lead Based Paint Certification that all lead issues have been remediated.

Closing - The consummation of the real estate transaction. The Closing includes the delivery of a deed, financial adjustments, the signing of notes, mortgages, and the disbursement of funds necessary to complete the sale and loan transaction.

Closing Costs - Those costs required by the lender to be paid by the buyer for various fees, credit report cost, insurance, etc. at time of Closing on property.

Consolidated and Annual Action Plans – HUD requires the City of Plymouth to submit a 5 year Consolidated Plan and an Annual Action Plan to guide housing, homelessness and Community Development activities.

Conventional Mortgage – A type of residential mortgage loan, usually from a bank or savings and loan association, with a fixed rate and term. It is repayable in fixed monthly payments over a period usually 30 – 40 years or less, secured by real property, and not insured by the Federal Housing Administration or guaranteed by the Veterans Administration.

Down Payment – A type of payment made by a home buyer, indicating intention to purchase real estate offered for sale and obtain financing from a bank or mortgage company.

DTI - Debt to Income Ratio – Indicates the percentage of income that goes toward housing costs, including mortgage principal and interest, mortgage insurance premium, hazard insurance premium, property taxes, and homeowners association dues (when applicable).

Family – A group of individuals who live or will live under one roof.

Fannie Mae – A privately owned and operated corporation that buys mortgages from such lenders as banks and savings and loans, packages the, and resells them on the open market.

FHA – Federal Housing Administration. A Federal agency that administers many loan programs, loan Guarantee programs, and Loan Insurance programs designed to make more housing available.

First Time Homebuyer - A Family who has not owned a dwelling of any kind within the preceding three years from the date of application or who has been displaced due to a divorce situation. (A Family purchasing a dwelling with a Contract for Deed is not eligible to participate in this Program.)

Good Faith Estimate – Document disclosing the approximate closing costs a mortgage applicant will pay at or before the mortgage settlement date.

Gross Annual Income - The Gross Annual Income of a Household for the purposes of this program is as defined for purposes of reporting under Internal Revenue Service Form 1040 for individual Federal annual income tax purposes as per 24 CFR 570.3 and 26 CFR.

Gross Assets - The current market value of the following minus existing indebtedness: *(Typically, it does not include 401K funds, pensions, or other deferred compensation funds.)*

1. Cash on hand
2. Cash in checking accounts
3. Cash in savings accounts, including accounts held in trust.
4. The cash value of life insurance policies.
5. Investment securities (government bonds, municipal bonds)
6. Stocks
7. Certificate of deposits and annuities
8. The current market value of all interest in real estate. Included in this determination is any land in which any resident of the Household holds title or is selling on contract for deed. The value of the contract for deed property shall be defined as 100 percent of the outstanding balance on the contract at a time twelve months following the date of the income and other asset verifications. The dollar amount of the difference between the outstanding balance at the time of verifications and the outstanding balance twelve months later shall be included as household income.
9. All other property, exclusive of household furnishings, clothing, and one vehicle. This section includes, but is not limited to business equipment, boats, snowmobiles, motorcycles, farm stock and additional vehicles.
10. If the applicant owns a business, in full or in part, and that business is incorporated, then the business equipment is not an asset. If the business is not incorporated, the business equipment is then considered a personal asset. The value of the ownership of the business by the applicant is a personal asset. If the applicant owns less than 100 percent of the business, written notarized proof of the percent of ownership must be provided by the applicant to the HRA.

Guidelines - The set of standards, criteria, and specifications to be used in administering the Program.

Household – All persons residing in one housing unit; which may include one or more families, a single person, a married couple, or two or more unrelated persons.

Housing Counselor – A person who provides direct customer service primarily to groups, individuals, households seeking information and assistance with housing issues.

HRA - The Housing and Redevelopment Authority in and for the City of Plymouth, Minnesota; which administers Plymouth's First Time Homebuyer Program.

HUD – U.S. Department of Housing and Urban Development. The principal federal agency responsible for implementing certain federal housing and community development programs.

Income – The amount of money or its equivalent received during a period of time in exchange for labor or services, from the sale of goods or property, or as profit from financial investments.

Lead Risk Assessment – A report that describes the health-risk assessment, management process, estimates of the costs of recovery, and summaries of possible defensive measures required per HUD regulation CFR Part 35: Lead Based Paint Regulations.

Lender - Individual or firm that extends money to a borrower with the expectation of being repaid, usually with interest.

Low Income Family – A Family whose annual income does not exceed the low-income limit as established by HUD with adjustments for smaller and larger families.

MFHA – The Minnesota Housing Finance Agency; a Minnesota State agency that administers a variety of first time home buyer loan programs.

Moderate Income Family - A Family whose annual income does not exceed 80 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families.

Mortgage - The conveyance of an interest in real property given as security for the payment of a loan.

Principal Place of Residence – To occupy the home as the primary residence on a permanent basis.

Program - The HRA's First Time Homebuyer Program.

Promissory Note - A written instrument containing a promise by the signer to pay an agreed amount.

Purchase Agreement - An agreement between buyer and seller of real property, setting forth the price and terms of the sale. Also known as a sales contract.

Reducing the Mortgage Principal Amount - A method of benefiting the buyer through the use of a portion or all of the HRA provided financial assistance to lower the mortgage principal amount. In effect, this assistance acts as a larger down payment and, helps to reduce the monthly mortgage payments. The available amount of assistance is up to 20% of the purchase price to a maximum of \$30,000. Borrowers are expected to contribute at least 25% of their gross qualifying income toward their monthly payment before Plymouth financial assistance can be used for reduction of the mortgage principal.

Satisfaction of Mortgage – A document releasing a Mortgage lien, indicating the borrower has paid the debt in full.

Second Mortgage - A loan on a property that already has an existing mortgage (the first mortgage). The second mortgage is subordinate to the first.

VA Loan – Department of Veterans Affairs, providing below-market financing with no down payment to veterans of the U.S. Armed Services.

**PLYMOUTH HOUSING AND
REDEVELOPMENT AUTHORITY
STAFF REPORT**

TO: Plymouth Housing and Redevelopment Authority

FROM: Jim Barnes, Housing Manager through Steve Juetten, Executive Director

MEETING DATE: January 23, 2020

SUBJECT: **Housing and Redevelopment Authority Strategic Plan** – Approve proposal from Bennett Community Consulting for the HRA Strategic Plan update.

BACKGROUND:

In September of 2018, the Housing and Redevelopment Authority (HRA) Board discussed updating their Strategic Plan. This request was prompted by the Board's discussions on whether the HRA was moving in the right direction with its current Plan and programs. The Board discussed the update at two subsequent meetings in 2019 and asked staff to solicit proposals from consultants.

DISCUSSION:

Staff received proposals from three firms, with one of the firms withdrawing due to time constraints. The other two proposals were reviewed by staff and evaluated on the scope of work, how closely they aligned with the HRA's objectives and fees. The proposal from JLL, while impressive, was more tailored towards a larger organization and the fees of \$50,000 were more than staff was willing to spend.

Bennett Community Consulting (BCC) submitted the third application. They are a local firm that has worked with affordable housing entities for many years across the state and nation. Staff has met with BCC and arrived at a proposal and scope of work that staff is of the opinion is in line with what the HRA Board had discussed at previous meetings on the topic (proposal attached). If the Board approves the proposal, staff will work with BCC to coordinate the beginning stages of the update which will start in March of this year.

BUDGET IMPACT:

The proposal from BCC provides a cost estimate of \$12,300 to complete the Strategic Plan update. Additional services will be billed at \$125 per hour upon staff approval and out of pocket expenses are billed at cost. The funds will come from the HRA's 2020 budget.

RECOMMENDATION:

Staff recommends that the Plymouth Housing and Redevelopment Authority Board of Commissioners approve the proposal from Bennett Community Consulting for the HRA Strategic Plan update.

ATTACHMENTS:

1. Bennett Community Consulting Proposal



Cathy Capone Bennett
612-670-8147
Cbennett.bcc@gmail.com

Consulting Services Proposal

To: City of Plymouth Housing & Redevelopment Authority
James Barnes, HRA Director
From: Cathy Capone Bennett, Bennett Community Consulting (BCC)
Date: May 31, 2019
Re: Consulting Services – HRA Strategic Planning Process

The following is a scope of work to provide technical assistance and meeting facilitation for the City of Plymouth HRA. The purpose of the work is to guide and support the HRA in the development of an updated Housing and Redevelopment Strategic Plan. This will be done through a collaborative process and informed decision making with the Plymouth HRA.

SUMMARY OF PROPOSED PROCESS/TASKS:

The following is a systematic and collaborative process that will provide the Plymouth HRA with the necessary information to understand the housing needs of the City and to develop goals and priorities for the HRA over the next 5 years.

Questions to understand and agree upon may include the following:

- What are the housing needs of the City including senior housing, housing choice vouchers, CDBG, current and future program options?
- What is an agreed upon vision, goals and priorities for the Plymouth HRA to meet the housing needs of the City?
- Is there a more strategic role for the HRA to play related to redevelopment to support its mission?
- What is the role of the Plymouth HRA and what tools and strategies are needed to fulfill the vision, goals and priorities?

The scope includes preparing for and facilitating 5 HRA meetings, 1 community listening session and stakeholder interviews. To more fully understand HRA member's goals and priorities, the process will include an online pre-meeting survey and follow-up conversations with HRA members.

BCC will work together with Plymouth HRA staff and the HRA to complete the tasks by ensuring that all voices and opinions are heard in an open and respectful way enabling shared commitment to the goals of the process. In addition, review of previous studies, review of local best practices and interviews with area stakeholders will be presented to guide the HRA in the strategic planning process.

CONSULTANT TASKS & FEES:

A. HRA Meeting Facilitation

Facilitate 5 meetings of the Plymouth HRA to include the following tasks:

- Prepare an HRA online survey to understand the HRA member's goals and priorities as it relates to the current and future work of the HRA.
- Draft meeting agendas.
- Prepare meeting materials to assist in an agreed upon process for the HRA.
- Facilitated meetings could include:
 - Review of Process, summary of HRA online survey
 - Developer Panel – ULI MN Navigating Your Competitive Future Session
 - Summary of Community/Stakeholder Input
 - SWOT Analysis Process
 - Development and agreement on HRA goals and priorities
 - Review Draft Strategic Plan

Time Assumptions: 50 hours

- Planning and preparation meetings with HRA staff
- Survey preparation, collection and summation
- Committee member follow-up
- Review and summary of materials and meeting preparation
- Meeting facilitation
- Meeting synthesis

Consultant Estimate of Cost: Not to exceed amount of \$5,000 for the tasks outlined above.

B. Community/Stakeholder Input

Conduct a community listening session for community members.

- Session to include a summary of existing housing programs for both rental and ownership housing, role of the HRA and potential opportunities.
- Provide opportunity to hear stories and solicit input on housing needs and priorities.

Meet with key members of school district(s) and key businesses leaders and/or representative of local business association (retail, health care, office and industrial) in the community to identify potential housing needs for families of the district as well as employees of area businesses such as teachers, office administrators, service industries and health care workers.

Time Assumptions: 30 hours

- Work with HRA staff to develop a community/ stakeholder process to receive input on community goals, housing needs, service gaps and workforce needs.

- Facilitate listening session
- Conduct up to 10 stakeholder phone interviews
- Summarize finding at HRA meeting

Consultant Estimate of Cost: Not to exceed amount of \$3,000 for the tasks outlined above.

C. Housing Best Practices Review & Research

- Review and research housing best practice tools and strategies – local and national.
- Summarize and recommend tools and strategies for the HRA to consider to meet the shared vision and goals as part of the strategic plan; including HRA's role in preservation, development and redevelopment.
- With city staff assistance outline operational and financial capacity to implement recommended tools and strategies and provide guidance regarding financial resources used to implement housing goals and priorities.

Time Assumptions: 18 hours

- Review previous analysis
- Conduct industry interviews
- Review Local/National case studies
- Work with staff to identify operational and financial capacity to implement tools and strategies
- Summary of findings

Consultant Estimate of Cost: Not to exceed amount of \$1,800 for the tasks outlined above.

D. Prepare Draft Strategic Plan

Draft a 5-year strategic plan for review by the HRA to be completed after agreement on the vision, goals and priorities of the HRA.

- Include a matrix of program options that includes specific outcome measures and implementation strategies to help identify and evaluate success over a 5-year period based upon HRAs agreed upon goals and priorities.

Time Assumptions: 25 hours

- Report preparation and matrix
- Review meetings
- Final report preparation

Consultant Estimate of Cost: Not to exceed amount of \$2,500 for the tasks outlined above.

Summary of Fees:

Summary of Tasks & Consulting Fee Pre Task		
Task	Hours	Fee
HRA Meeting Facilitation & Technical Assistance	50	\$5,000
Community/Stakeholder Input	30	\$3,000
Best Practice Review and Research	18	\$1,800
Prepare Draft Strategic Plan	25	\$2,500
Total Consulting Estimate		\$12,300

Authorization for expenditures over and above the estimate will not be undertaken without approval by the City of Plymouth HRA staff and will be billed at \$125 per hour. Out of pocket expenses such as printing, postage, etc. are billed at cost. All invoices are due and payable within fifteen (15) days of receipt of an invoice showing the work completed and the direct costs for expenses.

Acceptance:

Bennett Community Consulting will begin working on these projects upon acceptance by the City of Plymouth HRA

City of Plymouth HRA

Bennett Community Consulting

Date: _____

Date: _____

CONSULTANT PROFILE:



Bennett Community Consulting - Ms. Bennett, owner of Bennett Community Consulting, has a wealth of knowledge concerning private-public alliances, program development, and project management in all facets of economic development, redevelopment and housing policy and strategy development through her experience working for local government, private developers and non-profit sectors. This includes redevelopment project planning and implementation, development of housing policies and programs, program implementation, public financing, business retention and recruitment, strategic analysis, focus group facilitation, and program marketing.

Ms. Bennett has worked in Minnesota for the past 25 years within local community development and private consulting where she has facilitated over 100 work sessions between public officials and the private/non-profit sectors related to general and complex land use issues. Public and non-profit clients have included Roseville HRA, Anoka HRA, City of Coon Rapids, City of Woodbury, City of Shoreview, City of St. Louis Park, City of Brooklyn Park, City of North Branch, Greater Metropolitan Housing Corporation, Southwest LRT Corridor Community Works, the Urban Land Institute of Minnesota and the Regional Council of Mayors, Minneapolis Downtown East Business Council, and Lexington-Hamline Community Council. Ms. Bennett also serves as a commissioner on the Chisago County HRA-EDA and is familiar with implementing housing and economic development policies and programs for the county, city and regional area and prior to consulting worked as a housing and economic development director for the Cities of Roseville and Mounds View implementing complex redevelopment projects with resident and public policy input.

Summary of Qualifications:

Non-Profit Economic Development & Project Management Experience:

Urban Land Institute of MN – Serve as project manager for the ULI MN Regional Council of Mayors Advisory Services including Housing Initiative, Southwest Corridor Community Works and Bottineau Corridor Community works providing tailored land use technical assistance.

- ♦ Conduct housing audits, site evaluations and public policy dialogues for RCM cities.
- ♦ Developed policies and best practices through focus group sessions with the public and private sectors.
- ♦ Create, monitor and update a regional housing toolbox and guided the implementation of the MSP mixed income housing feasibility calculator tool.
- ♦ Conduct and manage 75 public policy workshops on housing, development and land use.
- ♦ Facilitate and participate in LRT corridor development scenarios. Collect market research, evaluate land use plans, organize bus tour/workshops with public sector planners and policy makers, and craft recommendations for private market perspectives on key development opportunities, critical infrastructure improvements and strengths and barriers of specific station areas related to the integration of land use and engineering.

City of St. Louis Park

- ♦ Facilitated work group meeting with city staff, housing advocates and multi-family owners to come to consensus on a policy around tenant protections. The policy was agreed upon by the competing interests through the work group process.
- ♦ Facilitate City Task Force to determine the effectiveness of the city's crime/drug free ordinance.

Rondo Community Land Trust

- ♦ Prepared strategic plan and facilitated strategic planning processes for the board of directors in 2008 and 2014 including the evaluation of land trust programs, market factors, financial feasibility and options for establishment of a commercial land trust.

Lexington-Hamline Community Council

- ♦ Served as consulting manager for the renovation and sale of seven Council owned homes, negotiated transfer of ownership and relocation of tenants. Monitor all sales transactions to ensure all costs and proceeds are properly documented through closing transactions. Evaluated funding agency contractual requirements and communicate with funding agencies regarding property disposition; negotiated commitment on a phased disposition plan to meet the objectives of the agencies as well as the long term needs of the Council.

East Downtown Council

- ♦ Prepared strategic plan and facilitated strategic planning processes for the board of directors over the course of five months. Facilitated process included working with the board of directors to understand its role in business growth and in land use decision creating a shared mission, vision and pathway forward with an adopted business and strategic plan.

San Diego Economic Development Corporation, San Diego CA

- ♦ Served as associate vice president of retention and attraction which included the management of corporate interviews to evaluate and advise on site selection criteria and development of market strategies for business growth for entire San Diego County region. Prepared and presented tailored site selection marketing packages to include real estate site surveys, financial incentives and comparative analysis. Arranged and conducted site tours. Managed publication of Community Book of Facts and Industry Brochures.
- ♦ Facilitated public/private partnerships and committees dealing with water infrastructure, air pollution, recycling, waste management and environmental contamination. Advised corporate directors on the impact of proposed legislation and local regulations. Prepared responsive legislative position papers.

Public Sector Economic Development/Community Development Experience

- Over 10 years in local government for the cities of Mounds View and Roseville Minnesota
- ♦ Served as the main city contact responsible for one of the largest and complicated redevelopment projects in the Twin Cities. This included master planning for land uses with community input, evaluating financial projections for development, coordinating environmental studies and property acquisition, attracting development teams for implementation of plan and prepared analysis for final council approval of tax increment financing district and hazardous substance sub district.
- ♦ Completed one of the first Alternative Urban Areawide Review's (AUAR) in the Twin Cities and later successfully defended its viability upon a challenge filed with the Environmental Quality Board (EQB).
- ♦ Managed and created various tax increment financing districts and evaluated tax increment proposals for complex redevelopment, business and housing projects.
- ♦ Facilitated formation documentation and process for the creation of a Housing & Redevelopment Authority and served as executive director responsible for a 7-member resident board and budget of over \$1.5 million.
- ♦ Coordinated various studies including a multi-family housing study, senior housing market study, development feasibility studies and neighborhood revitalization and rental impact study. Each study included a series of focus group or task force meeting with residents, faith-based groups, public agencies and private developers.
- ♦ Managed and evaluated new and existing housing programs and services including housing resource center, loan programs, design grants, second mortgage financing and gap financing. Coordinated the development of publicly financed first time buyer housing and habitat for humanity homes.
- ♦ Managed land purchases, construction and leasing of City Community Center.

Private Development Experience:

- Assist private development firms with tax increment analysis, public finance negotiations and guidance regarding funding for brownfield redevelopment.
- ♦ Prepare tax increment financing pro forma and sources and uses statements necessary to complete public finance agreements. – TIF applications, development agreements.
- ♦ Guide developers through the public approval process including the development of strategies for negotiations with co-developers and public entities.