

CITY OF SHELBY HOUSING PROGRAMS APPLICATION

Applicant Information

Date of Application	
Name of Applicant	
Indicate If Applicant is a Developer, Property Owner, or Purchaser	
Current Address	
Current City, State, Zip	
Phone Number	
Email Address	

PROGRAM APPLYING FOR (PLACE AN 'X' IN APPROPRIATE BOX):

New Construction Program		Existing Unit Purchase Program	
Rehabilitation Loans		Dilapidated Building Program	

TYPE OF UNIT (PLACE AN 'X' IN APPROPRIATE BOX):

Owner-Occupied		Rental	
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Address or Parcel # Subject to Request

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Project Description: In 200 words or less describe your project.

Project Budget:

Type	Amount
New Construction	
Purchase Price for Existing Unit	
Rehabilitation of Existing Unit	
Demolition of Dilapidated Structure	
Total	

*Please attach any plans, drawings, building permits, zoning permits, or related items.

I (we), the undersigned, certify that I (we) have read and understand the entire Applicant Statement and that the information in this application is true and correct. I (we) also acknowledge that I have read and understand all aspects of this program’s guidelines as outlined in the information guide.

Applicant Name (printed or typed)

Applicant Name (printed or typed)

Applicant Signature Date

Applicant Signature Date

Submit your completed original (not faxed or copied) application to:

City of Shelby

Attention: City Clerk

419 East Street

Shelby, Iowa 51570

Questions or help with this application can be addressed by calling 712-544-2404

CITY OF SHELBY HOUSING PROGRAM RELEASE OF INFORMATION FOR INCOME QUALIFICATION

Certain programs have income qualification requirements. This portion of the application should be completed as soon as possible. In the case of a qualifying purchasing a new unit, this portion should be completed as soon as the purchaser has been identified.

Table 1: List Every Member of Qualifying Household (use additional sheets if necessary)

Name	Age	Relationship
1.		
2.		
3.		
4.		
5.		
6.		

Each person listed in Table 1 must list all sources of income below. Examples of income sources are (but not limited to):

- Employment (including commissions, overtime, bonuses)
- Child support or Alimony
- Interest and Dividends
- Retirement Benefits and Social Security
- Other benefits such as Unemployment, Worker’s Compensation, or disability benefits.

Table 2: Income Source

INCOME SOURCE	RECIPIENT	CONTACT PHONE NUMBER FOR VERIFICATION	EST. GROSS MONTHLY EARNINGS

Continued on Next Page

Lender Information (IF APPLICABLE)

Table 3: Lender Information

Name of Lender:	
Name of Loan Officer:	

Release

We, the persons listed in Table 1 above, authorize the persons or entities listed as income sources in Table 2 above to provide information to the CITY OF SHELBY AND ITS AGENTS regarding verification of income for housing program eligibility. Further, we authorize the lender and loan officer identified in Table 3 to provide information to the CITY OF SHELBY AND ITS AGENTS regarding verification of income for housing program eligibility.

Signature

Date

Signature

Date

Signature

Date

Signature

Date

PROGRAM GUIDELINES

Housing Programs

The following Housing Programs are offered by the City of Shelby:

1. New Construction Program
2. Existing Unit Purchase Program
3. Housing Rehabilitation Loan Program
4. Dilapidated Building Program

Equal Opportunity and Affirmative Action

1. **Non-discrimination by City.** The City shall not deny assistance under the Housing Programs for any reason based upon race, color, creed, religion, national origin, sex, sexual orientation, marital status, age, familial, status, or disability.
2. **Non-discrimination by Other Parties.** All landlords, developers, contractors and subcontractors must agree not to discriminate in any manner against an employee or applicants because of race, color, creed, religion, sex, marital status, age, familial, status, or disability.

Administration

1. **Program review committee.** The City Council will serve as the program review committee and will take final action on all applications.
2. **Conflict of Interest.** All city officials and employees shall comply with the applicable conflict of interest regulations set forth in the Code of Iowa and any local ordinances or resolutions.
3. **Staff responsibility.** City staff and other agents of the City shall have the general responsibility for coordinating the application process on behalf of the City.
4. **Application process.** Every application completed under any of the Housing Programs will be evaluated according to the following process:
 - a. City staff and other agents of the City are required to have a conference with any potential applicant seeking information about any housing program. This is encouraged to help ensure the application process proceeds smoothly.

- b. All applicants must file a standard application form. Application forms may be obtained from the City Hall or the City website. The application form must be accompanied by other information or documents as may be required by individual programs.
- c. City staff and other agents will review each application for sufficiency and perform any required inspections or investigations. If a third-party, such as a bank, will also play a role in the application review process, staff will also coordinate with such third-parties to validate the sufficiency of the application.
- d. Upon determining the application is sufficient, staff will notify the applicant of such and inform the applicant that the application will be considered by the City Council at its next meeting. Staff will inform the applicant of the date and time of the meeting. Staff will prepare a recommended disposition on the application and provide a copy of the application packet for transmittal to the City Council members for consideration before the next meeting.
- e. The City Council will consider each application at the appropriate meeting. The applicant is encouraged to attend the meeting. The City Council may approve, disprove, or defer action on any application. The City Council shall provide each applicant a determination on their application within thirty (30) days of the meeting at which the application was first considered.
- f. Staff will provide each applicant a written notification regarding the City Council's determination. If the application is approved, staff will issue a conditional commitment of program benefits on behalf of the City to the applicant. The conditional commitment will require the fulfillment of all applicable program requirements prior to the release of City funds to support a project.
- g. No applications will be accepted or approved if any aspect of construction has already begun at time the City Council considers the application.

INDIVIDUAL PROGRAM GUIDELINES ARE LISTED ON THE REMAINING PAGES

New Construction Program Guidelines and Requirements

- 1. Purpose.** The purpose of the “New Construction Program” is to ensure the vitality and growth of the community by offering incentives for the construction of new owner-occupied and rental housing units.
- 2. Determination of Eligibility.** Program beneficiaries are limited to the following three classes of persons:
 - a.** Households earning 120% or less of the county median income based upon family size, provided that a household member has not owned another home within the past three years with an assessed value more than one hundred-fifty percent (150%) of the average assessed value for homes in Shelby.
 - b.** Developers pledging to construct housing that will be sold to persons earning 120% or less of the county median income based upon family size, provided that the eventual purchaser has not owned another home within the past three years with an assessed value more than one hundred-fifty percent (150%) of the average assessed value for homes in Shelby.
 - c.** Developers pledging to construct housing that will be rented to persons earning 120% or less of the county median income based upon family size.
- 3. Benefits.** Qualified applicants are eligible for the following benefits:
 - a.** Qualified households, whether constructing a new home or purchasing a new home from a developer are eligible for a five-year forgivable loan equal to ten percent (10%) of the purchase cost, not to exceed \$15,000. The five-year forgivable loan will be secured against the property as a mortgage, which will be executed by the applicant as a condition to releasing funds. The funds will be eligible for release upon the issuance of a Certificate of Zoning Compliance/Occupancy by the City.
 - b.** Developers pledging to construct housing that will be sold to qualifying households will be eligible for a credit of 2.5% of the purchase cost, not to exceed \$3,500. This benefit shall be separate and distinct from the forgivable loan benefit received by the purchaser. The funds will be eligible for release upon the issuance of a Certificate of Zoning Compliance/Occupancy by the City. The existence of a prior development agreement(s) between the City and a developer will render the developer ineligible for this benefit.

- c. Developers pledging to construct housing that will be rented to qualified persons will be eligible to receive a five-year forgivable loan of an amount not to exceed twelve and a half percent (12.5%) of the appraised value of the completed project. The five-year forgivable loan will be secured against the property as a mortgage, which will be executed by the applicant as a condition to releasing funds. The funds will be eligible for release upon the issuance of a Certificate of Zoning Compliance/Occupancy by the City and a submission of an appraisal by the applicant.

4. Other Guidelines and Requirements

- a. Each applicant must demonstrate ownership or an option to purchase the property subject to the program application.
- b. Each applicant must demonstrate proof of property insurance covering the property subject to the program application.
- c. Each property subject to the program must be in compliance with all applicable City of Shelby ordinances and plans.
- d. Each applicant must include a project budget as part of its application.
- e. Loan approval must come from an approved bank.
- f. Each applicant must provide a release allowing for verification of income sources as part of the application. City staff or other City agents will perform income verification if not performed by bank.
- g. The City will execute a release of the mortgage when the terms of the loan have been completely satisfied.
- h. Satisfaction of the forgivable loan for households purchasing a property shall be made based upon the period of time for which the property is occupied as the primary dwelling of the household. The household will only be required to income qualify at the time of application and will not be required to income qualify each year in order to satisfy the forgivable loan.
- i. Satisfaction of the forgivable loan for property owners renting a property shall be made based upon the period of time for which the property is rented to qualified persons. Each renter will only be required to income qualify at the time of application and will not be required to income qualify each year in order for the property owner to satisfy the forgivable loan.

Existing Unit Purchase Program

- 1. Purpose.** The purpose of the “Existing Unit Program” is to encourage prospective buyers to purchase existing homes in Shelby.
- 2. Determination of Eligibility.** Program beneficiaries are limited to households earning 120% or less of the county median income based upon family size, provided that a household member has not owned another home within the past three years with an assessed value more than one hundred twenty percent (120%) of the average assessed value for homes in Shelby.
- 3. Benefits.** Qualified applicants will be eligible for a five-year forgivable loan of \$5,000 when purchasing an existing home in Shelby. The five-year forgivable loan will be secured against the property as a mortgage, which will be executed by the applicant as a condition to releasing funds.
- 4. Other Guidelines and Requirements**
 - a.** Each applicant must demonstrate ownership or an option to purchase the property subject to the program application.
 - b.** Each applicant must demonstrate proof of property insurance covering the property subject to the program application.
 - c.** Each property subject to the program must be in compliance with all applicable City of Shelby ordinances and plans.
 - d.** Each applicant must include a project budget as part of its application.
 - e.** Loan approval must come from an approved bank.
 - f.** Each applicant must provide a release allowing for verification of income sources as part of the application. City staff or other City agents will perform income verification if not performed by bank.
 - g.** The City will execute a release of the mortgage when the terms of the loan have been completely satisfied.
 - h.** Satisfaction of the forgivable loan for households purchasing a property shall be made based upon the period of time for which the property is occupied as the primary dwelling of the household. The household will only be required to income qualify at the time of application and will not be required to income qualify each year in order to satisfy the forgivable loan.

Housing Rehabilitation Loans

- 1. Purpose.** The purpose of the “Housing Rehabilitation Loan Program” is to help maintain the community’s housing stock by providing incentives to rehabilitate existing properties in accordance with universal design standards, city building codes, or energy efficiency standards.

- 2. Determination of Eligibility.** Program beneficiaries are limited to the following two classes of persons:
 - a. Households earning 120% or less of the county median income based upon family size.

 - b. Property owners of housing that pledge to rent the subject property to persons earning 120% or less of the county median income based upon family size.

- 3. Benefits.** Qualified applicants are eligible for the following benefits:
 - a. Owner-occupied units for households earning 120% or less of the county median income based upon family size will be eligible for a no-interest rehabilitation loan of up to \$10,000, with a maximum term of five (5) years. Loan limits will be based upon the total project amount, with the loan requiring a twenty-percent (20%) match from the applicant. The project must rehabilitate the subject property in accordance with universal design standards, city building codes, or energy efficiency standards.

 - b. Rental units owned by property owners of housing that pledge to rent the subject property to persons earning 120% or less of the county median income based upon family size will be eligible for a no-interest rehabilitation loan of up to \$5,000, with a maximum term of five (5) years. Loan limits will be based upon the total project amount, with the loan requiring a fifty-percent (50%) match from the applicant. The project must rehabilitate the subject property in accordance with universal design standards, city building codes, or energy efficiency standards.

- 4. Other Guidelines and Requirements**
 - a. Each applicant must demonstrate ownership or an option to purchase the property subject to the program application.

 - b. Each applicant must demonstrate proof of property insurance covering the property subject to the program application.

- c.** Each property subject to the program must be in compliance with all applicable City of Shelby ordinances and plans. As part of the eligibility determination process, the city will inspect the property or building designated for improvements for compliance with the city administrative ordinances and zoning codes.
- d.** Each applicant must include a project budget as part of its application.
- e.** Loan approval must come from an approved bank.
- f.** Each applicant must provide a release allowing for verification of income sources as part of the application. City staff or other City agents will perform income verification if not performed by bank.
- g.** A credit check for the applicant is required for all applications.
- h.** The City will execute a release of the mortgage when the terms of the loan have been completely satisfied.
- i.** For owner-occupied units, this program may be combined with the Existing Unit Purchase program.

Dilapidated Buildings

- 1. Purpose.** The purpose of the “Dilapidated Building Program” is to abate dilapidated structures and to mitigate the effect of dilapidated buildings on the community.

- 2. Activities.** In order to accomplish the purpose of the Dilapidated Building Program, the City will undertake the following activities.
 - a.** Upon application from a property owner, the City will assist with the demolition of any dilapidated residential structure located in Shelby. Commercial, industrial, or civic structures may be eligible for demolition assistance under appropriate conditions.

 - b.** The City may make grants to nonprofit organizations for the purpose of acquiring and demolishing a dilapidated structure.

 - c.** The City may make grants to nonprofit organizations for the purpose of acquisition and rehabilitation of dilapidated structures for rehabilitation.

- 5. Other Guidelines and Requirements**
 - a.** Each applicant must demonstrate ownership or an option to purchase the property subject to the program application.

 - b.** Each applicant must demonstrate proof of property insurance covering the property subject to the program application.

 - c.** As part of the eligibility determination process, the city will inspect the property or building to determine if the property is suitable for rehabilitation or demolition.