

CDBG PROGRAM

Carolyn Martin, Housing Representative



APPLICATION PACKET

Town of Marshall – Rental Rehabilitation Application

Once you've completed the application, you may email it to Carolyn Martin or call her to set up an appointment. You may also request a physical application or contact Carolyn with any questions.

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Community Development Block Grant Program

About the Rental Rehabilitation Program

CDBG funds may be used to rehabilitate LMI occupied rental housing units. CDBG funds may also be used to rehabilitate vacant housing units that will be rented to LMI households within six months of project completion. If the rental unit is not occupied by an LMI tenant within six months of the completion of the rehabilitation project (documented by the final inspection), the loan will be deemed ineligible and immediately due and payable. CDBG funds may also be used to convert existing structures into affordable LMI rental housing units.

When rental rehabilitation loans are made, rents charged for those units after rehabilitation are limited to HUD designated rent limits for the geographic areas in which the unit is located or locally established affordable rents. Prior to initiation of a rental rehabilitation project (including vacant rehabilitation and conversion projects), the property owner must agree, in writing, to rent to LMI households and maintain affordable rents for the pre-determined timeframe. Rent limits must be kept current and provided to participating landlords as limits are amended. Affordable rents must be available to LMI tenants for a minimum of half the term of the mortgage but not less than five years.

A mortgage and mortgage note in the amount of the loan must be issued in the name of the Grantee against the owner of the property to ensure repayment of the loan. Rental rehabilitation loans are available as 0% installment loans. The repayment period must begin within 60 days of project completion and the terms should be negotiated with the property owner.

Rental projects may require additional funding sources, including commercial lending and/or other program(s) funds. If total project costs are in **excess of \$50,000**, information on the project must be **submitted to DEHCR for review and approval**.

Eligible properties are those where at least 51% of the units are occupied by LMI tenants. Duplexes are exempted from this provision. If one unit is vacant, the other one must be occupied by an LMI tenant. An increase in a current tenant's income to the point where it exceeds the current LMI income limits is NOT a reason for eviction; however, should the unit become vacant; it must be filled with an income qualified household.

These general criteria must be used while designing underwriting criteria for the CDBG rental rehabilitation loans:

1. The property must be in need of rehabilitation work determined by the Grantee utilizing the HQS Inspection form.
2. Eligible repairs are those necessary to correct health and safety issues, increase energy efficiency, replace non-cosmetic items that are beginning to deteriorate, and make handicap accessible repairs or adaptations per the HQS inspection form.
3. All work must be deemed financially feasible, as determined by the property's estimated FMV and 120% rule, upon completion of work.
4. Properties scheduled for sale, acquisition, foreclosure, demolition or condemnation, are not eligible for rehabilitation. Vacant properties may be rehabilitated; for example, conversion of space from single-family use or commercial use to LMI rental project. Please consult with DEHCR prior to rehabilitating vacant properties.
5. The property must be insured against loss by fire and other perils, in accordance with lending institution standards.

6. The Grantee (not the administrator) must be added to the insurance policy as a mortgage holder at the time the mortgage is signed.
7. Repayment of installment loans must begin within 60 days upon completion of the CDBG rehabilitation as determined by the final inspection and must be repaid in monthly installments.
8. Properties located in the floodplain are generally not eligible unless certain conditions are met. If CDBG funds assist floodplain property, the owner will be required to purchase flood insurance.
9. No tenants will be permanently displaced as a result of rehabilitation to a renter-occupied property.
10. All tenants will receive:
 1. Lead-Based Paint Brochure
 2. General Information Notice
 3. Notice of Non-displacement
11. At a minimum, 51% of all tenants must be documented as LMI households. The Grantee must develop and implement an annual verification of LMI occupancy. The Grantee is required to keep this information with each rental project file. The annual verification documents:
 1. The rents being charged are affordable and comply with the terms of the loan
 2. The original tenant continues to reside in the unit or
 3. The new tenant(s) met LMI income levels at the time of occupancy. The landlord will collect all required documents from potential occupants and the Grantee will determine income eligibility.
12. Labor standards apply to any building with eight or more units. Coverage is determined by the number of units in the building, not by the number to be rehabilitated

Date Received: _____
(For Office Use Only)



Community Development Block Grant Program Rental Rehabilitation Application

Rental Rehabilitation Applications must be completed for each building you wish to take out a loan on.

Applicant Information

Landlord Name: _____

Phone Number: _____
Home Number *Work Number*

Landlord Address: _____
Street Address *Apartment/Unit #*

City *State* *ZIP Code*

I receive mail at this address

Are you a citizen of the United States or qualified alien? YES NO

Rental Unit Information & Equity Information

Rental Unit Address: _____
Street Address *Apartment/Unit #*

City *State* *ZIP Code*

Age of Structure: _____

Is there currently a mortgage, lien, land contractor other debt against this property? YES NO

If yes, please state the type of debt, amount currently owed, and to whom it is owed. If there is more than one loan against the property, please list each one separately.

Type of Loan (Conventional, WHEDA, VA, Line of Credit, etc)	Amount Owed	Lender Name

Please indicate the following information for the rental unit. If apartment building, list for each apartment unit.

Building Number or Apartment Unit Number	Number of People	Number of Bedrooms	Monthly Rent	Utilities Included	
				YES <input type="checkbox"/>	NO <input type="checkbox"/>
				YES <input type="checkbox"/>	NO <input type="checkbox"/>
				YES <input type="checkbox"/>	NO <input type="checkbox"/>
				YES <input type="checkbox"/>	NO <input type="checkbox"/>
				YES <input type="checkbox"/>	NO <input type="checkbox"/>
				YES <input type="checkbox"/>	NO <input type="checkbox"/>

Rehabilitation Information

What areas of rehabilitation would you like to request?

Electrical _____ General Carpentry _____ Chimney _____
 Heating _____ Siding _____ Flooring _____
 Insulation & Venting _____ Masonry _____ Interior/Exterior Paint & Drywalling _____
 Plumbing _____ Gutters & Downspouts _____ Other: _____

Do you have any peeling or chipping paint in the rental units? YES NO

Handicapped Access Request

Are you requesting handicapped access work? YES NO

If yes, please explain: _____

Wisconsin Marital Property Act

In order to comply with the provisions of the Wisconsin Marital Property Act, it is necessary for you to provide the following information.

1. Marital Status SINGLE MARRIED DIVORCED LEGALLY SEPARATED WIDOWED

2. If married:

a. Spouse's name: _____

b. Spouse's address: _____

3. Notice to applicants: No provision of a marital property agreement (including a Statutory Individual Property Agreement pursuant to Sec. 766.587, Wis. Stat.), unilateral statement classifying income from separate property under Sec. 766.59, or court decree under 766.70 adversely affects the creditor unless the creditor is furnished with a copy of the document prior to the credit transaction or has actual knowledge of its adverse provisions at the time the obligation is incurred.

Conflict of Interest – Town of Marshall

Please note any family or business ties to any of the following people. Possible conflict of interest includes parents or parent-in laws, son, daughter, or daughter and son-in law, brother or sister or brother and sister in law, spouse or fiancée or fiancé. Note your relationship in the space beside the name. If you are not related to any of the following people, please check the box at the bottom of the list.

Joseph Lorence _____

Louis Konieczny _____

Marion Dernovsek _____

Michelle Sheffield _____

Jolanta Grzeszkowiak _____

Norman Mudgett _____

Brett Bechtel _____

Carolyn Martin _____

Bill Chapman _____

Scott Jones _____

Jasmine Stansbury _____

To the best of my knowledge, I am not related to any of the persons listed.

or

I have noted all relationships to listed parties.

Disclaimer and Signature

I/we, the undersigned owners of the described property, certify that the statements in this application are true, accurate, and complete to the best of my/our knowledge and belief and understand that false information given may lead to disqualification from the program. I/we fully understand that it is a federal, state, and local crime punishable by fine or imprisonment or both, to knowingly make any false statements concerning the facts of this application. It is understood that this information is given for the purpose of obtaining financial assistance through the CDBG Program and will be used for no other purpose.

Primary Applicant Signature: _____ Date: _____

Co-Applicant Signature: _____ Date: _____



Community Development Block Grant Program

Tenant Eligibility Statement

Property Owner Name: _____

Address: _____

Tenant Data

The above property owner of your unit has applied for a rehabilitation loan which would improve the unit you now live in, at no additional cost to you as a tenant. Please provide the following information.

Tenant Name: _____

Social Security Number: _____ Age: _____

Spouse/Tenant Name: _____

Social Security Number: _____ Age: _____

Residence Address: _____

Street Address _____ *Apartment/Unit #* _____

City _____ *State* _____ *ZIP Code* _____

I receive mail at this address

Mailing Address: _____

(if different) *Street Address* _____ *Apartment/Unit #* _____

City _____ *State* _____ *ZIP Code* _____

Phone Number: _____

Home Number _____ *Work Number* _____

Total Number of People Living in the Home: _____

Tenant:
Are you a citizen of the United States or qualified alien? YES NO

Spouse/Tenant:
Are you a citizen of the United States or qualified alien? YES NO

Household Information

Please list below **all persons** who live in your household starting with yourself. List the incomes of all persons. Income includes, but is not limited to, income from all gross wages, salaries, commissions; net income from self-employment, net income from the operation of real property; interest and dividend income; Social Security, SSI, pensions, AFDC, alimony, unemployment, child support, and other benefit income.

Name	Relationship to Applicant	Source of Income	Monthly Gross Income

Please list all assets. Assets include, but are not limited to: Checking account(s), Savings Account(s), Certificate of Deposit (CD) or Money Market Accounts, Revocable Trusts, Stock Bonds, Treasury Bills, IRA/Lump Sum Pension, Retirement, 401(k), Cash Value of Life Insurance Policy, Investment Items, Safety Deposit Box, and other assets.

Asset	Value

Disclaimer and Signature

I certify that the above information is true and correct. I authorize the CDBG Program and its agents to contact any source identified to confirm the above information is necessary.

I understand that, except as authorized in this paragraph, the CDBG Program will keep all information contained in this application strictly confidential and will not release it to any other party without my written authorization.

Tenant Signature: _____ Date: _____

Spouse/Tenant Signature: _____ Date: _____



Community Development Block Grant Program

Carbon Monoxide and Lead Information

Please review the information regarding lead and carbon monoxide in the home.

- “Protect Your Family From Lead in the Home” from the United States Environmental Protection Agency:
<https://www.epa.gov/sites/default/files/2020-04/documents/lead-in-your-home-portrait-color-2020-508.pdf>
- 2009 Wisconsin Act 158 requiring carbon monoxide detectors in buildings containing one or two dwelling units: <https://docs.legis.wisconsin.gov/2009/related/acts/158.pdf>

Printed copies are available from Carolyn if preferred. Please check the box only if you prefer written materials instead of the above online links to the lead and carbon monoxide documentation.

I would like to request written materials instead of online links to the above documentation



Community Development Block Grant Program

Lead-Based Paint Pamphlet Receipt Form

I have received the information in the EPA pamphlet entitled "Protect Your Family from Lead in Your Home."

Signature of Applicant

Date

Signature of Applicant

Date



Community Development Block Grant Program

Carbon Monoxide Pamphlet Receipt Form

I have received Wisconsin Act 158 information regarding carbon monoxide in the home.

Signature of Applicant

Date

Signature of Applicant

Date



Community Development Block Grant Program

Tenant's Release of Information

This is to certify that I/we have given my/our permission to the "Grantee" Community Development Block Grant (CDBG) Program to verify employment, sources of monthly income, and any additional required information. I understand that this information will be for the confidential use of the Grantee in reviewing the property owner's application for a rehabilitation loan.

A photo or fax copy of this document may be deemed to be the equivalent of the original and may be used as a duplicate original. The original signed release of information form will be kept on record with the Grantee.

Rental-Rehabilitation Property Address: _____

Property Owner Name: _____

Tenant

Last First MI

Social Security Number

Street Address

City, State, Zip Code

Signature Date

Spouse/Tenant

Last First MI

Social Security Number

Street Address

City, State, Zip Code

Signature Date