

City of Lawrence
Community Development Block Grant (CDBG)
Homeowner Housing Rehabilitation Program
Application Packet



Planning & Development Services
Housing Initiatives Division
6 E 6th St
Lawrence, KS 66044
<https://lawrenceks.org/pds/housing-initiatives/>

The mission of the City of Lawrence Housing Initiatives Division is to create a community where all enjoy life and feel at home by ending chronic homelessness, ensuring that everyone has a safe and affordable home, and revitalizing neighborhoods for inclusive and equitable community development.

If you have questions or would like assistance filling out this application, please contact Caitlyn Dolar with the Housing Initiatives Division:

Caitlyn Dolar cdolar@lawrenceks.org **785-832-3113**

CDBG HOMEOWNER HOUSING REHABILITATION PROGRAM

APPLICATION GUIDELINES

1. Return loan application to the Housing Initiatives Division of Planning & Development Services at housinginitiatives@lawrenceks.org or to ground floor offices at City Hall, 6 E 6th St, or mail to P.O. Box 708, Lawrence, Kansas, 66044. Telephone: (785) 832-3113. Telecommunications Device for the Deaf: (785) 832-3205. ALL REQUIRED DOCUMENTS MUST BE SUBMITTED BEFORE APPLICATION CAN BE PROCESSED.
2. The Program Administrator will determine if applicants and property meet program eligibility requirements. Applications requesting Emergency Repair assistance will be reviewed and processed as they are received. Applications requesting Comprehensive Rehabilitation will be scored and reviewed on the 1st of every month – scoring is based on general eligibility, project scope, previous participation in the Program, and Code Compliance referral.
3. An initial appointment with the Program Administrator will be scheduled. Applicants will receive a thorough explanation of the Program and acknowledge the procedures and costs associated with proceeding with the loan. An appointment for the inspection will be scheduled at this time.
4. *For Emergency Repair:* A minimum of three (3) bids is required and must be included with the application. If unable to obtain three (3) bids, owner must provide a letter stating who was contacted and when; and that the contractor did not respond to their request for a bid. HOMEOWNERS ARE NOT ALLOWED TO DO THEIR OWN IMPROVEMENTS.

For Comprehensive Rehabilitation: Program staff will meet with the applicant and inspect the property to discuss the rehab work requested and what will be recommended. *If the project includes lead-based paint work, additional inspections will be required.* Rehab that affects the occupant's health and safety must be addressed and all code violations will be given priority. Once the scope of work is finalized, program staff will solicit bids from qualified contractors.

5. Upon approval and acceptance in the program, the applicant must sign a Mortgage Note and Mortgage for the amount of financial assistance received.
6. *For Emergency Repair:* A City of Lawrence purchase order will be issued for the work to be done and a Notice to Proceed will be sent to the contractor. *Work must not begin until the contractor is provided with the Notice to Proceed.*

For Comprehensive Rehabilitation: Once a contractor is selected, a Rehabilitation Agreement will be executed between the applicant and the contractor.

7. The City will pay vendors when properly signed invoices are received and an inspection of the work has been completed. Generally, the claim will be paid the week after receipt of invoices and approval of the work.

A. General Eligibility Requirements

1. The property must be located within the City Limits. Properties located within a designated floodplain area will be reviewed on a case-by-case basis. Mobile homes are not eligible.

2. The property must be owner-occupied and contain no more than two dwelling units. The applicant must be the owner/occupant of the property for a minimum of one year prior to application and payment of ad valorem taxes must be current. The applicant must be current on any and all mortgage payments.
3. The applicant and/or structure for which the application is being made cannot exceed lifetime program funding/application limits as defined in Section 4 of the Policies and Procedures.
4. For Comprehensive Rehabilitation, the applicant must have an adequate homeowner's insurance policy in force at the time of the rehabilitation contract award and agree to maintain the coverage for a period equal to the term of the mortgage note and mortgage.
5. Applicant's gross household income from all sources may not exceed 80% of area median income (CDBG Moderate Income). The income guidelines are as follows:

Household Size	Moderate Income
1	\$58,000
2	\$66,250
3	\$74,550
4	\$82,800
5	\$89,450
6	\$96,050
7	\$102,700
8	\$109,300

6. The applicant must sign a Mortgage Note and Mortgage for the amount of financial assistance received.
7. The Housing Initiatives staff shall determine whether the property is of sufficient value to warrant the loan. The appraised value of the property (as determined by the Douglas County Appraiser or a certified independent appraiser) plus the cost of rehabilitation must not exceed HUD purchase price limits for single-family homes, and the total indebtedness on the property (mortgage) plus the cost rehabilitation cannot exceed the current appraised value of the property.

B. Eligible Project Types

1. Comprehensive Rehabilitation: Rehabilitation activities must meet the requirements of local building codes. Any activity that does not improve the health and safety of the residents, contribute to energy conservation, weatherization, or decrease the blighting influence of the property, is ineligible. Cosmetic renovation, remodeling, or upgrades that are not health or safety related will not be eligible for funding.
2. Emergency Repair: Emergency repair funds may be used for improvements that eliminate immediate hazards to health and safety, or conditions that are likely to cause health and safety hazards or cause damage to the structure in the near future.

Examples of Emergency Repairs:

- a. Furnace/Air Conditioner – Addition/replacement of existing heating and/or cooling source with approved energy-efficient appliance. Installation of a whole house duct distribution system is eligible. Portable units are not eligible.
- b. Plumbing repairs and/or replacement
- c. Electrical repairs and/or replacement
- d. Water heater replacement
- e. Roofing replacement
- f. Any other improvement deemed necessary by the City to correct an emergency situation.

C. Funding Limits

1. Comprehensive Rehabilitation Loan

- a. Maximum funding of \$60,000, including a maximum of \$6,000 (or 10% of total project cost) for lead-based paint hazard reduction activities and related relocation costs.
- b. No more than 2 lifetime Comprehensive Rehabilitation applications per applicant/structure.
- c. Cannot exceed \$60,000 in lifetime Program funds per applicant/structure.
- d. Applicant must not have received comprehensive rehabilitation within the last 5 years.

2. Emergency Repair Loan

- a. Maximum funding of \$24,000 including a maximum of \$2,400 (or 10% of total project cost) for lead-based paint hazard reduction activities and related relocation costs.
- b. No more than 2 lifetime Emergency Repair applications per applicant/structure.
- c. Cannot exceed \$60,000 in lifetime Program funds per applicant/structure.
- d. Applicant must not have received comprehensive rehabilitation within the last 5 years.

D. Repayment Requirements

1. The financial assistance shall be in the form of a no-interest, no-payment loan, the balance of which must be repaid when the recipient ceases to be an owner-occupant of the property improved.
 - a. Comprehensive Rehabilitation loans will receive up to 100% forgiveness over 7 years.
(See Repayment Requirements in Policies and Procedures)
 - b. Emergency Repair Loans will receive up to 100% forgiveness over 5 years.
(See Repayment Requirements in Policies and Procedures)
2. Loan Subordination
 - a. Subordination will not be approved if the City mortgage is less than or equal to \$2,500, except in cases where the recipient can demonstrate a bona fide hardship, such as a medical emergency or natural disaster catastrophe.



CDBG Homeowner Housing Rehabilitation Program Application



Applicant Information

Primary Applicant:

Co-Applicant:

Project Address:

Street Address

City

Zip Code

Telephone:

Email:

Primary Applicant: Are you a citizen of the United States or a qualified alien? ☐ Yes ☐ No

Co-Applicant: Are you a citizen of the United States or a qualified alien? ☐ Yes ☐ No

Primary Applicant: Female Head of Household? <input type="checkbox"/> Yes <input type="checkbox"/> No	Race	Hispanic?
White		
Black/African American		
Asian		
American Indian/Alaskan Native		
Native Hawaiian/Other Pacific Islander		
American Indian/Alaskan Native & White		
Asian & White		
Black/African American & White		
American Indian/Alaskan Native & Black/African American		
Other multi-racial		

Property Information

Please list the names of all property owners as shown on property deed:

Number of people living in the home (including applicants): _____

Is the property insured? ☐ Yes ☐ No

Are the property taxes current? ☐ Yes ☐ No

Is there currently a mortgage, lien, land contract, or other debt against the property? ☐ Yes ☐ No

If yes, please state the type of debt, amount currently owed, and the lender's name. If there is more than one loan against the property, please list each one separately. Please provide an account statement or payment history from the lender.

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

Please provide a brief description of the work that needs to be done at the project address:

Please check which type of assistance you are requesting:

Emergency Repair ☐

Comprehensive Rehabilitation ☐

Not sure ☐

Assets Information

Please list all current assets and submit the listed required documentation for each asset.

Asset	Own?	
Checking Account(s)/Savings Account(s) - <i>Copies of three most recent consecutive account statements</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Certificate of Deposit (CD)/Money Market Accounts - <i>Copies of three most recent consecutive account statements</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Real Estate Equity (other than primary residence, e.g. rental property, land, business) - <i>Provide copy of property tax statements</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Stocks, Bonds, Treasury Bills, Annuities - <i>Copies of three most recent consecutive account statements</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Retirement Accounts (IRA, 401(k), Roth) - <i>Copies of three most recent consecutive account statements</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Pension Funds - <i>Copies of three most recent consecutive account statements</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Cash Value of Life Insurance Policy - <i>Copies of three most recent consecutive account statements</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Revocable Trust(s) - <i>Copies of three most recent consecutive account statements</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Personal Property (Boat, RV, antique car, coin, stamp, jewelry, gun collections, etc.) - <i>Provide documentation on value</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Income Information

Please list ALL people who live in your home, beginning with yourself. List the incomes of all persons 18 years of age or older. Reference "Income Sources to List and Required Documentation" table below for examples of income to list and the necessary documentation required for verification. If there is more than one income source per person, reference corresponding number from table below separated by a comma.

Name	Age	Relationship to Applicant	Source(s) of Income (<i>Use numbers from table below</i>)	Monthly Gross Income
		<i>self</i>		

Income Sources to List and Required Documentation

- 1) Employment – *Provide copies of three most recent consecutive paycheck stubs and the most recent year Federal tax return*
- 2) Self-Employment – *Provide copies of the last three years of Federal 1040 with Schedule C attached*
- 3) Unemployment Benefit and/or Worker's Compensation – *Provide copy of benefit statement or check stub*
- 4) Veteran's Administration, GI Bill, National Guard/Military Benefits/Income – *Provide copy of benefit statement or check stub*
- 5) Social Security Payment – *Provide copy of benefit statement*
- 6) Unearned income from family members aged 17 & under (e.g. Social Security, Trust Fund, etc.) – *Provide copy of benefit statement*
- 7) Supplemental Security Income (SSI)/Social Security Disability Insurance (SSDI) – *Provide copy of benefit statement*
- 8) Disability or death benefits other than Social Security – *Provide copy of benefit statement*
- 9) Retirement Funds or Pensions – *Provide copies of three most recent consecutive account statements*
- 10) Public Assistance (e.g. TANF, LIEAP) – *Provide copy of benefit statement*
- 11) Periodic Payments from Trusts, Annuities, Inheritance, Insurance Policies, or Lottery Winnings – *Provide copies of three most recent consecutive account statements*
- 12) Income from real or personal property (e.g. interest or dividends) – *Provide copy of account statements or check stubs*
- 13) Alimony/spousal maintenance payments – *Provide copies of three most recent consecutive statements or check stubs*
- 14) Child Support Payments Received – *Provide copies of three most recent consecutive statements or check stubs*
- 15) Other income – *Provide description and documentation*

Authorization for Release of Information

I hereby give my permission to the Housing Initiatives Division of the Planning & Development Services Department of the City of Lawrence, KS to acquire information regarding one or all of the following items:

1. Employment
2. Income
3. Property Insurance
4. Property Taxes
5. Mortgages
6. Federal, State, or local assistance programs

Print Name

Signature

Date

Address

City / State / Zip

Certifications

WARNING: The information provided on this form is subject to verification by HUD at any time, and Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony and assistance can be terminated for knowingly and willingly making a false or fraudulent statement to a department of the United States Government.

1. I/we certify that this information is complete and accurate. I/we agree to provide, upon request, additional documentation on all income sources to the HUD Grantee/Program Administrator.
2. I hereby certify that I have been informed of Lead-Based Paint Hazards (if applicable), and that I have received the pamphlets entitled *Protect Your Family from Lead in Your Home* and *Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and Schools*.
3. I hereby certify that I have been informed of the City of Lawrence Loan Subordination Policy (if applicable) and that I have received a copy of the policy.

Primary Applicant Signature: _____

Date: _____

Co-Applicant Signature: _____

Date: _____