

# SMALL CITIES DEVELOPMENT PROGRAM

## Rental Rehabilitation for Multi-Unit Complex (Duplex, triplex or larger)

### City of Granite Falls

The City of Granite Falls is preparing an application to Minnesota's **Small Cities Development Program (SCDP)**.

The Small Cities program could cover up to 70% of the eligible rehabilitation costs for Rental Housing. Maximum grant scenarios are outline below in the example financial structures. Property owners would be responsible for the remaining 30% project costs through savings, bank loans, or other programs.

#### Example Multi-unit Complex (duplex, triplex or larger):

Total Project Costs                    \$18,000 per unit  
Property Owner Costs                \$5,400 Savings or bank loan  
Small Cities Program Grant        \$12,600 In the form of a forgivable loan, 1/5<sup>th</sup> forgiven each year

#### I may be interested in the following improvements to my rental unit(s) (check all that apply)::

- |                                  |   |   |  |
|----------------------------------|---|---|--|
| <input type="checkbox"/> Gutters | <input type="checkbox"/> Insulation                     | <input type="checkbox"/> Plumbing             | <input type="checkbox"/> Safety/Accessibility Improvements |
| <input type="checkbox"/> Windows | <input type="checkbox"/> Electrical                     | <input type="checkbox"/> Roofing              | <input type="checkbox"/> Lead Testing & Removal            |
| <input type="checkbox"/> Doors   | <input type="checkbox"/> Heating                        | <input type="checkbox"/> Foundations          | <input type="checkbox"/> Building Code Violations          |
| <input type="checkbox"/> Siding  | <input type="checkbox"/> Energy Efficiency Improvements | <b>**Interior remodeling is not eligible.</b> |  |

This program helps rental property owners (with eligible renters) with funding to make improvements to their rental property. Eligibility for SCDP grants is based on a majority of renters/tenants meeting the household income guidelines listed below:

<b>2017 HUD Income Guidelines</b>	1 Person Household	2 Person Household	3 Person Household	4 Person Household	5 Person Household	6 Person Household	7 Person Household	8 Person Household
Yellow Medicine County	\$36,600	\$41,800	\$47,050	\$52,725	\$56,450	\$60,650	\$64,800	\$69,000
Chippewa County	\$37,800	\$43,200	\$48,600	\$54,000	\$58,350	\$62,650	\$67,000	\$71,300

**Please return this form to:**  
UMVRDC Re: Granite Falls SCDP  
UMVRDC  
323 W. Schlieman Ave  
Appleton, MN 56208  
or email [laura@umvrdc.org](mailto:laura@umvrdc.org)

**DEADLINE IS OCTOBER 14, 2017**

**Continued on back >**

Property Owner Name: \_\_\_\_\_

Property Owner's Phone: \_\_\_\_\_

Email: \_\_\_\_\_

**Addresses of rental units you may be interested in making improvements to:**

Address 1: \_\_\_\_\_ Number of Units: \_\_\_\_\_

Address 2: \_\_\_\_\_ Number of Units: \_\_\_\_\_

Address 3: \_\_\_\_\_ Number of Units: \_\_\_\_\_

Address 4: \_\_\_\_\_ Number of Units: \_\_\_\_\_

**I understand that:**

- If the grant is awarded, funds are limited and in competition. Applicants will be prioritized on a first-come, first-serve basis and to be considered I must complete a full application packet that will be provided if the funds are awarded in the spring.
- **At least 51% of unit(s) must be occupied by low/moderate income (LMI) households at affordable rents per HUD guidelines in the building being rehabilitated.**
- **Rent can not increase for LMI tenants paying 30% or more of their income for rent and tenant-paid utilities for the term of the SCDP loan.**
- Funds can not be used for "remodeling".
- Rental units must have needs that go beyond basic maintenance and will be inspected as part of the program.
- There will be a deferred loan (lien) placed upon my home for the SCDP funding for five years. If the home is sold or changes owners in that time, the remaining un-forgiven loan must be paid back to the city.
- The rehabilitation must be coordinated through the field administrator for the project, and competitive bids must be received for the work. **Any improvements/work done before coordinating with the site administrator will NOT be eligible for SCDP funding.**
- Competitive bidding and Davis Bacon wage rates and terms will apply to projects with **8 or more units**.
- The building must be occupied. No vacant units will be rehabilitated with SCDP funds.
- Information about additional programs that provide assistance for eligible homeowners will also be provided.

After reviewing the above information, including the financing package, I am interested in participating in this program.

\_\_\_\_\_  
Owner Signature

\_\_\_\_\_  
Date

**In completing this form your name will be placed on a waiting list showing a strong interest in the program but in no way commits you to the program or guarantees funds will be available.** If funds are awarded to the City you will be contacted with information on how to apply to the program for assistance with your improvement projects.