James R. Fouts, Mayor

Community Development Committee
One City Square Suite 210
Warren, Michigan 48093
(586) 574-4686

Dear Warren Resident:

The City of Warren will be reviewing requests from interested residents for **loans** under the Community Development Block Grant Property Rehabilitation Program. If you are interested in participating in this program, submit the attached "Expression of Interest" form to:

City of Warren
Community Development Program
One City Square, Suite 210
Warren, MI 48093

Because of limited funds for Warren's Program, you are urged to complete the attached form as soon as possible. This form has been sent to all who have inquired about the program to date. A case number will be assigned to the completed form and all cases will be processed on a first come first served basis.

When your number comes up for processing you will be asked to complete a formal **loan** application and additional information will be collected at that time to determine your eligibility for program participation.

Attachment

Summary of Loan Application Process and Eligibility Requirements
For the City of Warren's
Residential Rehabilitation Program

1. Upon submittal of an "Expression of Interest" form (attached) to the City of Warren Community Development, applications will be assigned a case number on a first come first served basis.

2. Funds for residential rehabilitation **loans** are allocated each year from the City's Community Development Programs. **Loan** applications are processed in numerical order to the limit of the funds allocated.

3. Eligibility is determined at the time of application processing. To be eligible, applicants must have a history of making house, property tax (see below) and water bill payments on time, applicants household income must be less than the moderate income limit listed below, and the home must be insured.
   The following are the established deadlines for property tax payments:
   Summer taxes – Payable in full by August 31. If the first installment payment is made by August 31 the second installment payment must be paid by January 31.
   Winter taxes – Must be paid in full by February 28.

4. Applicants who are in bankruptcy are not eligible for the residential rehabilitation **loan**. Applicants with past bankruptcies must provide information on the type of bankruptcy and provide written documentation of the date the bankruptcy was discharged. **Loan** applications will only be processed if the bankruptcy has been discharged.

5. The following environmental criteria must be met: the property must be zoned R-1-A, R-1-B, R-1-C or R-1-P, the property must meet all zoning requirements regarding setbacks (the placement of the home within the lot lines), and the property must be occupied by an owner who uses it as a single-family home. **No condominiums, multiple family homes, mobile homes, or duplexes are eligible for rehabilitation.**

6. Rehabilitation **loans** are available for correcting code violations, making limited general improvements, removing architectural barriers and installing ramps and other devices to make the home handicapped accessible.

7. Rehabilitation **loans** are **NOT available for condominiums, mobile homes, new construction, land contracts, substantial reconstruction, expansion of the structure, and the finishing of unfinished spaces.**

8. The maximum rehabilitation loan is $30,000.

9. If an emergency exists which threatens the life or health of the household occupants, the application may be prioritized and receive immediate attention.

10. a. Installment **loans** of 4% are available to eligible moderate-income households.
    b. Deferred **loans** of 0% are available to eligible low-income households.

11. Federal Guidelines ***Prohibit*** the Rehabilitation of Homes in the City of Warren with values exceeding $172,000. The value of your home is determined by calculating two times your State Equalized Value.

CITY OF WARREN, MICHIGAN
COMMUNITY DEVELOPMENT LOAN PROGRAM
RESIDENTIAL REHABILITATION

EXPRESSION OF INTEREST

NAME (HEAD OF HOUSEHOLD): _____

AGE (HEAD OF HOUSEHOLD): _____

HOUSEHOLD SIZE (NUMBER OF PEOPLE LIVING IN THE HOME): _____

How many pregnant women and children under the age of 6 live in the home? _____

ADDRESS (NUMBER, STREET, CITY, ZIP CODE)

_____

_____

EMAIL ADDRESS: _____

TELEPHONE NUMBER: _____

CELL PHONE NUMBER: _____

HOUSEHOLD INCOME: _____

SIGNATURE OF HEAD OF HOUSEHOLD: _____

DATE: _____

NOTE: PLEASE BE ADVISED THAT YOUR REQUEST WILL BE PROCESSED ON A FIRST COME FIRST SERVED BASIS. PLEASE NOTE THAT IT WILL TAKE AT LEAST **1-3 MONTHS** TO PROCESS YOUR REQUEST**.**

City of Warren
Residential Rehabilitation Program
Eligibility Checklist

		Yes	No
1.	Have you made your last 6 house payments on time?	☐	☐
2.	Do you have history of paying your property taxes on time? (Including your water bill?)	☐	☐
3.	Do you have homeowner's insurance?	☐	☐
4.	If you have had a bankruptcy, has it been discharged **OR** is it correct to say you have **never** been in bankruptcy?	☐	☐
5.	Is your home zoned R-1-C, R-1-P, or R-1-A? (Call if you would like the City to look up your property zoning)	☐	☐
6.	Is it correct to say your home is not located in a flood zone? (If you live near the red run drain your home may be located in the flood zone. Call if you would like the City to look up this information).	☐	☐
7.	Is your gross household income less than the moderate income limit shown on the chart below?	☐	☐
8.	Is your property an owner occupied single family home **(not a condo, rental property, land contract or mobile home)**?	☐	☐
9.	Is it correct to say your property is not a <u>rear lot</u> structure?	☐	☐

If you answered yes to all of the above, please complete the attached expression of interest form, return it to the City, and you will be assigned the next available case number and placed on the waiting list. There is currently a 1-3month wait.

If you checked no to any of the questions, you are not eligible to receive a rehabilitation loan.

Gross Income Guidelines

Household Size	Low Income Limit (50%)	Moderate Income Limit (80%)
1	$27,500	$44,000
2	31,400	50,250
3	35,350	56,550
4	39,250	62,800
5	42,400	67,850
6	45,550	72,850
7	48,700	77,900
8	51,850	82,900