

July 1, 2020

Dear Residents of Rowan:

The City of Rowan is looking for ways to maintain and improve housing in the City. The City is considering rehabilitation of existing homes as an option. To provide some assistance to homeowners with home rehabilitation the City is contemplating applying for the Community Development Block Grant (CDBG) funding through the Iowa Economic Development Authority (IEDA) to fund a housing sustainability program.

To identify participants for this program the City is accepting applications from homeowners interested in the opportunity to rehabilitate their home. The assistance will be in the form of a forgivable loan to the homeowner. The forgivable loan is diminished by 20% each year until the fifth year when the loan is fully forgiven. Homeowners will be required to live in the assisted home for five years after the project has been completed. The city is considering applying for funds for two different housing programs which include the following:

- Exterior house improvements (improve the outside envelope of the home).
- Energy efficiency improvements (implements energy efficiency improvements in home).

Further information on the above two housing programs is enclosed with this letter.

To qualify for the program the following minimum requirements must be met by homeowners:

- The applicant must occupy the property to be assisted as their principal place of residence and must own the property (ownership means holding fee simple title to the property).
- The assisted property cannot contain a business.
- The assisted property cannot be located in a 100-year flood plain
- The assisted property must be located within the city limits.
- Manufactured homes must be constructed after 1976, permanently affixed to a site-built foundation, the homeowner must own the land that the home is located on, and the manufactured home must be taxed as real estate.
- The assisted property must be hooked up to public water and sewer.
- The applicant must have owned and resided in the property to be assisted **at least six (6) months** prior to the date of application for assistance and cannot be a under a contract sale.
- The applicant must be current on their mortgage payments associated with the property..
- The applicant must be current on their real estate taxes associated with the property..
- The applicant must be current in their utility payments associated with the property.
- The assisted property must be covered by property insurance in an amount equal to or greater than the current assessed value of the property.
- The assisted property must be free from garbage, debris, refuse, building materials, and abandoned, non-operational or junk vehicles.

The household income must meet the program income guidelines listed below:

2019 INCOME GUIDELINES	
FAMILY SIZE	GROSS INCOME LIMIT
1	\$38,850
2	\$44,400
3	\$49,950
4	\$55,500
5	\$59,950
6	\$64,400
7	\$68,850
8	\$73,300

The City will only be able to apply for funding to complete six homes per category. Homeowners interested in participating in one of the two programs must fill out the enclosed application including the information release form. Only complete applications will be considered.

Program participation will be selected on a first come first serve basis for those households that qualify. The City, through MIDAS Council of Governments as the contract administrator, will verify the applicant's income eligibility.

Applications and information release form must be turned in to Rowan City Hall, 101 Main Street, Rowan, IA 50470 by _____, **2020** to be considered for the program.

Sincerely,

Mayor