

LOAN & GRANT PROGRAMS

Community Development Block Grant Program

This is a program provided for ensuring the community's ability to conserve, rehabilitate and improve residential properties occupied by low-to-moderate income (LMI) residents of the City of Portage.

OBJECTIVES:

- Expansion of affordable housing stock for low and moderate income persons.
- Elimination of neighborhood blight and structural deterioration.
- Elimination of housing conditions that are detrimental to public health, safety and welfare.
- Elimination of unnecessary energy waste through modern rehabilitation energy saving improvements.
- Conservation of the existing housing stock.
- Provide an opportunity for low and moderate income renting household to become property owners.

TO ACHIEVE THESE OBJECTIVES, THE PROGRAM EMPLOYS SEVERAL COMPONENT MECHANISMS:

- Provide no-interest, deferred payment home repair loans for LMI owner occupants.
- Provide 0% interest loans for repairing units rented to LMI tenants.
- Provide 0% interest loans for creating new low or moderate income rental units by: (1) converting vacant properties into rental units, and/or (2) converting large single-family homes to duplexes.
- Provide no-interest deferred payment home repair loans to low to moderate income persons upon purchase of a home in need of substantial repair.
- Provide no-interest, deferred payment loans to demolish and clear dilapidated buildings in the program area.

For more information contact:

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Owner-Occupied Rehabilitation Loans

- CDBG loans for owner-occupied rehabilitation projects shall be subject to a \$12,000 maximum. If additional funds are needed for health or safety issues, they will be reviewed and approved by the CDBG Committee on a case-by-case basis.
- Loan repayment will be deferred at no interest subject to the following conditions:
If the house unit is not your principal place of residence, repayment will become due in full. Heirs may assume the mortgage providing LMI guidelines are met.
- A mortgage and note will be issued in the name of the City of Portage against the borrower's property in the amount of the loan.
- Each building shall be insured.
- "Emergency" money is available if the conditions are an imminent threat to health and safety. The maximum is \$3,000 with an agreement to participate in the housing rehabilitation program.
- CDBG funds can be used to pay closing costs and provide up to 50% of the downpayment costs for first-time home buyers.

ELIGIBILITY:

- Must be an owner-occupant or land contract buyer three months prior to applying.
- Applicant shall not exceed income levels.

HOW TO APPLY:

Property owners interested in obtaining a CDBG loan to rehabilitate their property may contact:

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