

## HISTORIC PRESERVATION HOUSING FORGIVABLE LOAN PROGRAM

### Purpose

Preservation loans (in the form of a forgivable loan) are available on a competitive basis to income-qualifying owner-occupants and to qualified non-profit organizations in any local historic district or City-designated Landmark for specific rehabilitation projects that preserve the original building materials and character-defining features of the home. These loans provide financial incentives to homeowners and non-profit organizations to maintain and improve their own neighborhood's historic building inventory.

### Requirements

1. Applicant Eligibility **(Exterior Only)**

- Owner-occupant of single-family, duplex or 3-unit property HUD income-eligible (up to 80% of median family income). Qualified non-profit organizations providing residential facilities to HUD income-eligible tenants.

| <u>Household Size</u> | <u>Max. Income-80% of Median</u> | <u>Household Size</u> | <u>Max. Income-80% of Median</u> |
|-----------------------|----------------------------------|-----------------------|----------------------------------|
| 1                     | \$37,200                         | 5                     | \$57,350                         |
| 2                     | \$42,500                         | 6                     | \$61,600                         |
| 3                     | \$47,800                         | 7                     | \$65,850                         |
| 4                     | \$53,100                         | 8                     | \$70,100                         |

2. Eligible Property

- Located in a Historic Preservation District or designated as a City landmark and at least 50 years old.

3. **Forgivable** Amount

- Owner Occupants: Up to \$5,000 forgivable loan; fully forgiven after 5 years if applicant remains in the home. If the applicant moves within the five-year period, then 100% of the grant must be repaid.
- Non Profit Organizations: Up to \$5,000 forgivable loan, fully forgiven after 5 years if the applicant continues to provide residential facilities to HUD income-eligible tenants. If the applicant ceases to provide these services within the five-year period, then 100% of the grant must be repaid.
- Limit one forgivable loan per property.

4. Security

- Preferable at least a second mortgage position and promissory note, or an amount not to exceed 100% loan-to-property value will be based on the assessed value, or on the appraised value after improvements, if the assessed value is not a good indicator.



5. Terms
  - Work must be initiated with three (3) months and completed within six (6) months from the date of Historic Preservation Commission approval. The Commission may grant additional time, if needed.
6. Eligible Improvements
  - Exterior work to repair or restore: porches, wood windows, wood doors, wood siding, character-defining features, and chimneys. Exterior painting and historic colors paint projects.
  - Work must meet the Secretary of the Interior's Standards and Guidelines for Rehabilitation and any specific design standards established for the pertinent Historic Preservation District.
7. Application Period
  - Applications will be accepted until all funds are committed.
8. Review and Approval
  - Applications will be accepted during regular business hours at the Housing and Community Development Department, 350 W. 6<sup>th</sup> Street, Suite 312, Dubuque, IA.
  - All applications must include required information on income, specified work proposed and at least two estimates received from full-time contractors licensed and insured by the State of Iowa. Homeowners may do the work themselves; written quotes on costs of materials must be provided. Labor by homeowners is not covered. Incomplete applications will not be processed.
  - Assistance with the design review portion of the application is available during regular business hours by appointment at the Planning Services Department, 50 W. 13<sup>th</sup> Street, Dubuque (City Hall).
  - A grant review committee of City staff will review eligible applications, and then make recommendations relative to compliance with City Housing, Building and Historic Preservations Codes, and with Section 106 of the Code of Federal Regulations.
  - The Historic Preservation Commission will review the grant application, the proposed work, and the committee's recommendations.
  - The Historic Preservation Commission must approve a Certificate of Appropriateness for all proposed work prior to issuance of permits or awards of grants.
  - All applicable City review and permits must be completed; e.g., building permits, before any work begins.
  - Work begun prior to obtaining a required permit, review or approval will not be eligible for grant assistance.