

**City of Champaign
 Neighborhood Services Department
 Neighborhood Programs Division
 102 N. Neil St.
 Champaign, Illinois 61820
 (217) 403-7070**



Full Home Improvement Program

SCOPE The program is offered to neighborhoods that are designated as Restoration and Preservation using the classification system adopted by the Champaign City Council in the Neighborhood Wellness Plan. After all Restoration/ Preservation neighborhoods have been addressed, funding may be available to income-eligible applicants living outside of those target neighborhoods.

INCOME LIMIT To be eligible for assistance, a household must have an annual income that does not exceed 80% of the median family income for the Champaign-Urbana-Rantoul area.

ASSET LIMIT For elderly/disabled households: \$10,000
 For all other households: \$5,000

MAXIMUM AMOUNT The maximum amount available through this program is \$25,000 as a grant or \$30,000 as a grant/loan combination, depending upon verified income of the household

PROGRAM DETAILS Owner-occupancy and a title free of delinquent liens are required. Home improvement funds are available to low- and moderate-income owners of single-family residential properties. The funds are provided in the form of a full grant*, a partial grant and installment loan, or a full installment loan depending on the actual verified income for the household. The form of assistance will be determined as follows:

MFI Limits	Form of Assistance	Project Cost Split
< 50% MFI	Grant* to \$25,000 from the City**	City 100%
51-60% MFI***	Grant up to \$15,000 from the City Loan up to \$15,000 from Busey Bank	City 50% of balance Busey 50% of balance
61-80% MFI***	Loan up to \$15,000 from the City at 0% Loan up to \$15,000 from Busey Bank	City 50% of balance Busey 50% of balance

* Grants carry a five-year residency requirement in the form of a mortgage and note
 ** "City" refers to the City of Champaign
 *** Rehab assistance will be split 50/50 between the City and Busey Bank at a market rate interest.

Loans can be amortized for a period of up to twenty years, however, must have a minimum payment of \$75 a month.

Guidelines for Participation in the Full Home Improvement Program:

The information below provides an overview of the criteria considered by the Neighborhood Programs Division of the Neighborhood Services Department for applicant approval in the Full Home Improvement Program. This is only an overview of the program guidelines. A complete set of program guidelines is provided in the Housing Assistance Program Manual, adopted by the Champaign City Council.

1. The subject property must be located within the municipal boundaries of the City of Champaign.
2. The applicant *must own* the property and have a title free of delinquent liens. The City will verify ownership through a title search.
3. To qualify for assistance, the applicant must not have any outstanding nuisance violations on the subject property or any other property owned within the City. If nuisance violations become apparent after approval, all rehab work will halt until such violations have been cleared. The City also has the authority to demand accelerated payment on rehab grants and loans if nuisance violations are noted after rehab project close-out.
4. The annual gross income of the household must be equal to or less than eighty percent (80%) of the median family income for the Champaign-Urbana-Rantoul MSA, as determined by the U. S. Department of Housing and Urban Development (Part 5 Income Verification Process). Annual gross income is defined as stable, verifiable income from all sources for all members of the household over the age of 18.
5. The applicant must not have assets in excess of five thousand dollars (\$5,000). Assets include, but are not limited to, savings or checking accounts, savings bonds, stocks, securities, real estate equity (other than the applicant's homestead), or retirement funds. Elderly/disabled households may not have assets in excess of ten thousand dollars (\$10,000).
6. Owner-occupants within the City of Champaign are eligible to receive Full Home rehab assistance one time only at a single address. If a homeowner has received roof repair assistance through the City's Emergency Repair program within the five-year period prior to his/her application for Full Home assistance, the amount provided for the roof repairs will be subtracted from the amount available through the Full Home program. Any other assistance previously provided to a homeowner under the City's Emergency, Handicapped Accessibility, Caulk and Paint, Senior Home Repair, or homebuyer assistance programs will not impact future assistance through the Full Home program.
7. The subject property must be inspected by the City's Building Safety and Code Compliance Divisions before assistance can be approved. A lead-based paint hazard visual or risk assessment will also be conducted. These inspections will be arranged by the Neighborhood Programs Division as a part of the application process if necessary. Work will be limited to building code, weatherization, energy efficient, and lead based paint hazard repairs only. Substitutions will not be made to the specifications written by the rehab technician.
8. A maximum of twenty five thousand (\$25,000) for grant-only applicants or thirty thousand dollars (\$30,000) for grant/ loan and loan-only applicants may be available to the property depending upon the verified income of the applicants. The form of assistance will be provided in accordance with the terms listed above. All code and lead based paint hazard repairs must be completed on the property. If the project costs exceed the program limit, the application will be denied.
9. Loan/grant funds can only be provided if the applicant's total monthly expense to gross monthly income ratio (including the rehabilitation loan payment) does not exceed 40 percent. Total monthly expenses shall include total housing expenses (mortgage, taxes, and insurance), payments on installment loan debts, regular alimony or child support payments, and credit card payments.

Exception: The total expense to income ratio may not exceed 60% for households with verifiable annual incomes of less than 50% MFI.

10. Loan/grant funds cannot be provided if the existing indebtedness on the property, including the rehab loan, exceeds 95 percent of the after-rehab value of the property.
11. The City has the option to deny any loan application based on insufficient equity, excessive debt, poor credit history, rehabilitation costs that exceed the program limits, or inability to demonstrate a stable income pattern.
12. The applicant will have the opportunity to select the contractor to do the rehabilitation work from the Approved Neighborhood Programs Division Contractor List.
13. A subordinate position lien will be placed on the property in an amount equal to the cost of the rehabilitation and will remain in effect for the term of the grant or loan. Should the property be sold, converted, or the title transferred at any time during the term of the agreement, the loan will immediately become due and payable to the City.
14. At the end of the loan or grant term, the lien will be released and the applicant will no longer be obligated to the City, as long as the applicant has complied with all provisions of the agreement.
15. The City will subordinate its lien to a refinanced first mortgage only in certain circumstances. Generally, the City will only subordinate to a refinanced first mortgage with no cash out. In some situations, financing for home improvements may be allowed. Each request will be reviewed on a case-by-case basis.
16. Applicants who do not fully disclose all requested family, income and asset information will be denied assistance. If undisclosed income, asset, or family size information surfaces after the rehab application is approved, the project will be terminated at that time and no additional assistance will be provided to that household. Providing false or incomplete information may result in prosecution.

By signing this document, I am acknowledging that each of these points have been read and explained to me to my satisfaction.

Owner

Co-Owner/Applicant

Date

Date

STATE OF ILLINOIS }
COUNTY OF CHAMPAIGN }

I, the undersigned, a Notary Public in and for said County and State aforesaid, do hereby certify that _____ and _____ personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed, sealed and delivered said instrument as his free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and Notarial seal this _____ day of _____, 20____.

Notary Public