

City Home Improvement Grant Program Grant - No Monthly Payment

The City Home Improvement Grant Program assists homeowners with a **GRANT** for 50% of eligible home improvement costs.

Eligible improvements are: permanent, for basic livability or energy efficiency of the property; or to bring a property into compliance with state, county, municipal health, housing, building, fire and/or housing maintenance codes or other public standards applicable to housing.

- The Grant is 50% of the repair costs not to exceed \$10,000; minimum of \$5,000 will apply if inspections and project management are required for the owner match funds. Any costs exceeding the maximum will be the responsibility of the Homeowner.
- 50% of the project cost is an Owner Match. The Hutchinson HRA has MH Impact funds for the owner match available to qualified homeowners.
- Streamlined Rehab Process (Wanted improvements have to be subject to a building permit inspection):
 - Submit two bids from Minnesota licensed contractors.
 - No HRA inspections will be performed but the homeowner/contractor will be required to get a Building Permit from the City Building Department and follow that process. (This option addresses only limited eligible work items requested by the homeowner that are subject to the City of Hutchinson’s building permit. Only a building permit inspection for the specific work item will be performed. The HRA and City of Hutchinson will not perform a full house inspection and is not responsible for any other code issues that may be present.)
 - No materials only loans. Payment made directly to the selected contractor on behalf of the homeowner.
- Rehab Process when using MH Impact funds for the owner match:
 - MH Impact funds require a HQS inspection and a lead-based paint assessment/inspection for homes built prior to 1978 and if painted surfaces beyond de minimis levels (20 sq.ft. on the exterior and 2 sq.ft. on the interior) will be disturbed.
 - The Hutchinson HRA will do the project management for the project.
- If the wanted improvements are **not** subject to a building permit inspection and MH Impact funds will not be used for the owner match, then the homeowner is not eligible for the City Home Improvement Grant Program.

To Qualify:

- You must live in the City of Hutchinson. Property cannot be located in a flood plain.
- You must have 1/3 fee title interest in the property, through a Mortgage, Contract of Deed or Life Estate that is on record at the McLeod County Recorder’s Office. No judgements/liens can be recorded against property.
- You must be current on your House Payments and Property Taxes and have home insurance
- Your Gross Annual Total Household Income for the Grant Program, of any person age 18 or older, including ALL SOURCES of income, cannot exceed **\$60,286**. The following limits apply to the MH Impact funds for the owner match:

<u>Family Size</u>	<u>Income Limit</u>	<u>Family Size</u>	<u>Income Limit</u>	<u>Family Size</u>	<u>Income Limit</u>
1	\$41,550	4	\$59,350	7	\$73,600
2	\$47,500	5	\$64,100	8	\$78,350
3	\$53,450	6	\$68,850		

Homeowner Paid Administration Fees & Closing Costs:

- \$350 – loan application fee, paid to the HRA*
- \$475 – lead-based paint assessment/inspection (only with MH Impact)*
- \$600 HQS inspection fee (only with MH Impact)*
- \$500 Impact Administration fee (only with MH Impact)*
- \$50 – title search fee paid to the HRA*
- \$250 – lead-based paint clearance (only with MH Impact)*
- \$92 – McLeod County recording fee (only with MH Impact)

*Allowed to be wrapped into the grant/loan not to exceed maximum grant/loan amount if MH Impact funds are to be used for the Owner Match.