

Floyd County Resolution No. FCR 83-6

WHEREAS, on March 4, 1983, the County of Floyd was granted approval of Community Improvement Project (CIP) C-82-018 by the Indiana Department of Commerce; and

WHEREAS, the purpose of said CIP is to establish the Floyd County Housing Rehabilitation Program; and

WHEREAS, under the terms of the New Albany-Floyd County Community Development Block Grant Agreement dated December 6, 1982, the New Albany Redevelopment Commission, acting as the Floyd County Redevelopment Commission, is charged with the implementation of the Floyd County Housing Rehabilitation Program; and

WHEREAS, under the terms of the same Agreement, the Board of Commissioners of the County of Floyd must establish policies for the implementation of the Floyd County Housing Rehabilitation Program;

NOW THEREFORE BE IT RESOLVED, that the following are the officially adopted policies of the Floyd County Housing Rehabilitation Program:

1. Rehabilitation Loan Property

- a. Property for which a rehabilitation loan is to be used shall be a single-family residential structure.
- b. Property for which a rehabilitation loan is to be used shall be under the control of and occupied by the owner of said property.
- c. Property for which a rehabilitation loan is to be used may be subject only to mortgage indebtedness or contract of purchase. Loans will not be made on property with existing sewer, mechanics, or other liens until said liens are resolved.
- d. Any other assessments for public improvements levied upon the property for which a rehabilitation loan is to be used shall be paid in full, subject only to those levies which are not yet due and payable.
- e. All taxes assessed upon the property for which a rehabilitation loan is to be used shall be paid in full, subject only to those taxes which are not yet due and payable.
- f. Property for which a rehabilitation loan is to be used shall be covered by a homeowner or fire and other hazard insurance policy which covers the property in an amount equal to or greater than its mortgaged indebtedness.
- g. Property for which a rehabilitation loan is to be used shall be located within the unincorporated areas of Floyd County.

2. Rehabilitation Loan Applicant

- a. An applicant for a rehabilitation loan shall be a homeowner of legal age and capacity to execute agreements.
- b. An applicant for a rehabilitation loan shall have an annual gross income within the Section 8 income limits in effect. Said limits shall be those established by the U. S. Department of Housing and Urban Development.
- c. An applicant for a rehabilitation loan shall demonstrate the financial inability to obtain a loan through normal commercial channels sufficient to permit the financing of a housing rehabilitation project.
- d. An applicant for a rehabilitation loan shall submit to the Redevelopment Commission the financial records necessary to determine the financial status of said applicant.

- e. Applications shall be accompanied with proof of property ownership or contractual interest as stipulated in I.C. 18-7-7.5.
- f. An applicant for a rehabilitation loan who is a Floyd County employee shall comply with all Rehabilitation Loan Applicant policies. In addition, Floyd County employee applications shall be subject to approval by the Board of Commissioners of the County of Floyd.

3. Rehabilitation Loan

- a. The minimum rehabilitation loan shall be \$500. The maximum rehabilitation loan shall be \$10,000.
- b. One rehabilitation loan per property shall be the limit permitted.
- c. Based upon the applicant's financial needs and ability to repay, the Redevelopment Commission shall determine the amount of the loan to be repaid and/or when the loan is to be repaid. On a monthly basis, the Redevelopment Commission may forgive all or a portion of the amount of the loan due. Such forgiveness shall apply only to that portion of the loan which corrects violations to HUD Section 8-Existing Housing Quality Standards.
- d. The recipient of a rehabilitation loan which is partially or wholly on a forgivable payback schedule shall occupy said property during the payback schedule period. Should the applicant discontinue to occupy said premises, the balance of the loan including the forgivable portion of the rehabilitation loan shall become due and payable in full at that time.
- e. When determining the amount of any loan which may be forgiven, the Commission shall consider only that portion of principle and interest which causes an applicant's monthly housing expense to exceed 25% of gross monthly income.
- f. All loans shall be required to have a per annum interest rate applied to the principal amount of the loan as determined by the Redevelopment Commission.
- g. Based upon the applicant's financial needs and ability to repay, the Redevelopment Commission shall assign a repayment period to the loan which shall not exceed 10 years.
- h. Each applicant shall execute a note and mortgage payable to the Redevelopment Commission as a security for repayment of the loan. In the case of loans less than \$2,500, the Redevelopment Commission may waive the mortgage requirement.

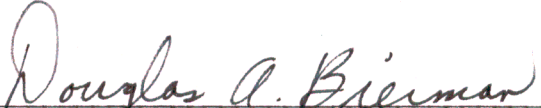
4. Rehabilitation Loan Project


- a. A rehabilitation project on which a loan is to be used may be completed by a contractor or subcontractor or carried out by the owner of the property using his own labor or that of a competent volunteer, as approved by the Redevelopment Commission, with payment to be made as determined by the Redevelopment Commission.
- b. If a contractor or a subcontractor is to be used on any rehabilitation project on which a loan is to be used, as possible at least two (2) bids shall be required. These bids may be negotiated, except as otherwise required by law.
- c. If a contractor or a subcontractor is to be used on any rehabilitation project for which a loan is to be used, the bidding contractor shall be subject to approval of the Redevelopment Commission prior to the submission of bids.

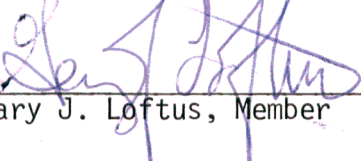
- d. Design plans for rehabilitation projects shall be required and such plans shall be in compliance with all applicable codes and ordinances. Energy conservation measures shall be stressed in the design of any rehabilitation loan project.
- e. All rehabilitation projects shall require all proper local and State approvals, and all proper permits or certificates of approval shall be obtained prior to the date upon which the rehabilitation work commences.
- f. All rehabilitation projects shall be completed to the satisfaction of the applicant and the Redevelopment Commission prior to any payments to a contractor or subcontractor. In the case of large rehabilitation projects, the Redevelopment Commission may set up a schedule to pay for completed phases of construction before the completion of the entire project.

BE IT FURTHER RESOLVED, that a copy of this Resolution be forwarded to the Floyd County Redevelopment Commission for its use in implementing the Floyd County Housing Rehabilitation Program, and that minor exceptions to these policies may be granted by the Floyd County Redevelopment Commission to the extent that they do not violate State Statute or any Agreement executed by the County of Floyd pertaining to CIP C-82-018.

Adopted by the Board of Commissioners of the County of Floyd on this 20th day of April, 1983.


Douglas A. Bierman, President


Vincent H. Freiburger, Member


Gary J. Loftus, Member

ATTEST:


Betty J. Hammond
Floyd County Auditor