



City of Eagle Grove CDBG - Upper Story Rehabilitation Proposal

The City of Eagle Grove will review and consider proposals submitted to determine the project most likely to meet all criteria required. All applications will be need to be submitted by **May 3, 2024**. The owner will be notified if selected. The City will only consider one proposal for submission prior to the 2024 application deadline.

The IEDA (Iowa Economic Development Authority) CDBG (Community Development Block) DTR (Downtown Revitalization) Upper Story Rehabilitation (HSGU) grant is a maximum of \$550,000 - \$600,000, including of the project and administrative costs, with \$50,000 in optional Green Streets.

The program requirement for this program is that it is limited to existing buildings to either rehabilitate un-occupied units or convert existing space into new units. All intended spaces must be vacant and unoccupiable at the time of application.

Some of the Required Regulations:

- Un-occupiable means an existing space that is not currently able to be occupied or would not be occupiable with minimal, minor improvements (painting, flooring, cosmetic updates).
- The existing space must be un-occupied for at least 5 years and will require major improvements and possible code updates to allow someone to reside there.
- No less than 51% of all units must be rented to LMI persons or households.
- The number of affordable rental units are to be retained at all times as affordable units throughout the period of affordability through income limits and rent limitations.
- A development team must be determined prior to application submission.
- If the building is of “mixed use”, the residential project must stand on its own and commercial improvements will not be considered in this application.
- All local building codes apply.
- A rent calculation sheet must be complete and submitted as a part of the application.
- To assist with the Green Streets Criteria, projects should plan to complete a design consultation prior to application. To do so, contact Jeff Geerts at (515) 348-6211 or Jeff.Geerts@IowaEDA.com.
- The form of assistance will be a 5-year forgivable loan (non-receding) to ensure the project is not sold, transferred or converted to another use within that time frame.

Additional Requirements:

- Project Readiness. Has Radon/Asbestos Mitigation/and Historical Review been conducted?
- Status of Financial Commitments (Debt to Income Ratio/Reasonable Developer Fee/Operating Expenses Reasonable)
- Capacity to Complete and Maintain the Project (Does the Developer Have Prior Experience/Does the Development Team Include Members That Can Get the Project Completed)

- Community Support - Is There A Need (Current Vacancy Rate/Current Housing Need/Application Adequately Address Needs for Upper Story)
- Environmental Compliance will be required, including Noise Compliance.

Has the above Requirements been completed?

The project must meet the U.S. Department of Housing and Urban Development’s parameters to primarily benefit low-and moderate-income persons:

- To meet this objective, Low-to-Moderate Income (LMI) means any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50% of households have an income less than 60 percent of the Area Median Gross Income (AMGI), or which has a poverty rate of at least 25%.
- A comprehensive building survey as well as a city resolution is necessary to meet this national objective.
- The proposed number of rental units at or below the 7-unit threshold.

The City of Eagle Grove would be the IEDA applicant, with approval by the Council. It is important to note, that even if the City of Eagle Grove accepts your application, IEDA will follow their application review and may not allow the application to move forward. Criteria required for the City to consider your proposal:

- A. Owner(s) name:
- B. Owner address:
- C. Building Address:
 - a. Length of ownership for subject property:
- D. Building Photos (interior and exterior) Attached:
- E. Building must be an “Underutilized Building”, a building that is vacant or mostly vacant, is blighted or severely deteriorated, and contains potential safety hazards including structural instability, code non-compliance, vermin infestation, or vandalism or generally unsafe conditions. The building may or may not be considered a public nuisance. *I hereby acknowledge that the building qualifies as an underutilized building (indicate by typing/signing name).*
- F. Brief description of the project planned property use when remediation is completed. Be sure to include all areas for remediation or redevelopment to the extent that the expenditures are attributable directly to the remediation or redevelopment.

G. What is the proposed future use of the property?

H. Describe the impact the CDBG DTR Upper Residential grant will have on this project:

I. Financial Commitment from owner to ensure project success:

- a. Owner to sign a commitment letter / Financial Commitment prior to the grant being prepared for submission to the IEDA. *I understand and acknowledge that a signed commitment letter is required prior to grant application (indicate by typing/signing name).*
- b. Owner to be prepared to hire an architect to provide plans/designs and cost analysis of the project prior to the grant application being approved by the City. *I hereby understand that I will need to hire and pay for an architect to provide plans/designs for my project prior to grant application (indicate by typing/signing name).*
- c. The owner will be required to provide matching funds of 15% - 25%, or more, based on the total cost of remediation. *I have the financial ability to provide matching funds of 15% - 25%, or more, and agree and acknowledge the requirement to do the same.*
- d. *The total amount of matching funds I can provide is (listed as either a percentage of project cost or the dollar amount of the match):*

I have thoroughly read and understand the commitment of this project with the City of Eagle Grove.

Signature of Property Owner

Date

To obtain additional information please go to: <https://www.iowaeda.com/UserDocs/2022cdbg-housing.pdf>