CITY OF BLUE GRASS, IOWA
LMI ASSISTANCE APPLICATION

FY 2026 INCOME LIMITS

PERSON IN FAMILY:	LOW 80% INCOME LIMITS:
1	$54,600
2	$62,400
3	$70,200
4	$78,000
5	$84,250
6	$90,500
7	$96,750
8	$103,000

CITY OF BLUE GRASS, IOWA
LMI ASSISTANCE APPLICATION

NAME: _____ **TELEPHONE NO:** _____

ADDRESS: _____ **DOB:** _____

_____

SIZE OF HOUSEHOLD: Number and Ages of Adults:_____
Number and Ages of Children: _____
(under 18)

20__ MONTHLY INCOME: _____

20__ MONTHLY INCOME: _____

20__ MONTHLY INCOME: _____

Please submit proof of income, including paystubs, social security or pension statements and/or federal income tax returns.

LMI PROPOSED PROJECT *(Please give a brief description of project(s) you are requesting financial assistance)*

By signing below, I swear under penalty of perjury that the above information is true to the best of my knowledge and belief and that the "LMI Financial Assistance Program Grant" is an Agreement between the City of Blue Grass and the myself (the applicant) and that it is a legal binding contract and if I am eligible, and the City of Blue Grass grants LMI funds to myself, I understand that I am responsible to pay ten percent (10%) of the cost of the project before the start of construction and that the grant shall only be used for the specific purpose approved by the City.

By signing below, I also understand that if my home is sold or I am deceased within five (5) years from the date of the issuance of the grant that I shall repay a prorated portion of the grant with the repayment decreasing by twenty percent (20%) each year the home is owned.

Signature: _____

Date: _____

HOLD HARMLESS CLAUSE

City of Blue Grass, Scott County, Iowa

_____ *agrees to*

Name and address

indemnify and hold harmless the City of Blue Grass, Iowa, its agents, employees or any other person against loss or expense, including attorney's fees, by reason of the work to be performed as described in my application for Financial Assistance during the time period of which the improvements were made, for damage because of bodily injury, including death at any time resulting therefrom, sustained by an person or persons, or on account of damage to property arising out of or in consequence of this agreement, whether such injuries to persons or damage to property are due or claim to be due to any passive negligence of the City, its employees or agents or any other person. It is further understood and agreed that the homeowner shall, at the option of the City, defend the City of Blue Grass with appropriate counsel and shall further bear all costs and expenses, including the expense of counsel, in the defense of any suit arising hereunder.

_____ _____

Date *Signature - Homeowner*

_____ _____

Date *Signature – City Clerk/Financial Officer*

THE "ADMINISTRATIVE ALLOWANCE" WAS INCREASED SEE RESOLUTION 2022-12

CITY OF BLUE GRASS, IOWA
RESOLUTION 2020-35

A Resolution establishing policy and procedures in reference to the
LMI Financial Assistance Program Grant.

WHEREAS, the City Council of the City of Blue Grass, Iowa desires to establish policy and procedures to their LMI Financial Assistance Grant Program regarding the use of Tax Increment Financing "low-to-moderate" set aside to residents that reside in the corporate limits of the City of Blue Grass and meet the required "low-to-moderate" income guidelines set by the State of Iowa; and

WHEREAS, the City Council of the City of Blue Grass previously designated certain portions of the City as the Blue Grass Urban Renewal Area, pursuant to Chapter 403 of the Code of Iowa, approving Development Agreements with specific developers setting certain provisions in the Development Agreements for the setting aside of funds (the "LMI Set-Aside Funds") to assist families of low and moderate income in the community with their housing needs; and

WHEREAS, according to Chapter 15A of the Code of Iowa, local governments are authorized to provide grants, loans, tax incentives and other financial assistance to residents; and

WHEREAS, according to the 2017 Housing and Urban Development (HUD) definition of "low to moderate income families", Section 403.17 (14) means those families or single person households, earning no more than eighty percent of the higher of the median family income of the county or the statewide nonmetropolitan area as determined by the latest United States Department of Housing and Urban Development, Section 8 income guidelines that set by Median Income limits and by the Number of Persons in each Family who qualify as families of "low and moderate income".

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Blue Grass, Iowa, establishes the following policy and procedures for City of Blue Grass LMI Financial Assistance Grant Program as follows:

Funding: The City Council reserves the right to review, approve, modify, deny and/or negotiate with applicants, or approve partial funding of each funding request submitted by an applicant.

Eligibility: Residents must reside in the corporate limits of the City of Blue Grass in order to be eligible for LMI Financial Assistance.

Funded Project: The LMI Financial Assistance Program Grant is an agreement between the City of Blue Grass and the applicant and is a legal binding contract that commits the City of Blue Grass to grant LMI funds to an eligible applicant and commits the applicant to only use the grant for the specific purpose approved by the City.

Application: Residents must complete an application provided by the City Clerk/Financial Officer and provide proof of income for the past three years by submitting social security or pension statements, federal income tax returns filed within the last three years and bank statements.

Request for Proposals: Eligible applications must submit with their completed application, a minimum of two quotes from contractors approved by the City Building Commissioner that describe in detail the scope of work that will be rendered specific to the project. If a project is approved, the contractor must apply for a building permit as defined in Chapter 15.04 Building Code and supply the City with a license and bond certificate prior to beginning the work.

Eligible Projects: Eligible projects shall be related to home improvements such as roofing, siding, sidewalk repair(s), handicap accessible ramps, windows, emergency, or safety items repairs and/or other improvements related to housing. However, the Council may, on a case-by-case basis, review and approve a project that they feel qualifies for financial assistance as long as the applicants meets all the other requirements.
If there is an emergency during non-working hours, the resident should contact the Mayor to determine if the improvement qualifies as an eligible project.

Construction Timeline: All approved projects must be completed within three months of the date the grant was awarded or the financial assistance will become null and void and the applicant must resubmit a new application. If the project is unable to be completed within the three-month period due to inclement weather or due to a hardship not of the applicant's making, the applicant must request an extension with the City Council prior to the expiration of the three months. If at any time the project is altered or upon inspection the project is not completed as described in the application, the City Council may rescind the award.

Program Manager: The City Clerk/Financial Officer is the official Program Manager who is delegated to administer the application to ensure that the applicant has completed the program grant application and has verified that the financial information meets the low-to-moderate income limitations for the year the application is submitted under the State of Iowa guidelines. If an applicant is awarded financial assistance, the Program Manager will ensure that each applicant signs a "Hold Harmless Agreement" indemnifying the City of Blue Grass and an "Affidavit" swearing under penalty and perjury that the financial information provided with their application was their only source of income.

Administrative Allowance: *(Resolution 2022-12 revised April 4, 2022)* A resident may submit an application once a year, except in case of an emergency. Each application may request LMI assistance in an amount not to exceed $18,000.00. The City shall require the applicant to pay ten percent (10%) of the cost of the project from the applicant's own funds. If the home is sold within five (5) years from the issuance of the grant, the property owner shall repay a prorated portion of the grant with the repayment decreasing by twenty percent (20%) each year the home is owned after the grant.

Administration by Building Commissioner: If the project is related to housing, the Building Commissioner shall evaluate the request for proposals submitted by the applicant and shall upon completion of the project perform such inspection to report to the City Council that the project was complete as defined in the quote and or report any deficiencies and/or corrections that need to be made prior to payment being made to the contractor and/or individual.

Payment: Once the project is complete, the contractor and/or resident must submit an invoice for services rendered, reflecting the resident's ten percent (10%) payment, according to the application for payment and approved by the City Council by adoption of a Resolution approving the Financial Assistance Program Grant.

LMI Assistant Grant Procedures

Step 1: Application and financial documentation.
Resident submits a completed application and submits the required financial data.

Step 2: Once it is determined that the resident qualifies for an LMI Grant and signs the Affidavit, the resident must sign a Hold Harmless Agreement and accept the terms of LMI contract.

Step 3: The Building Commissioner shall then perform a complete home inspection.

- After the application is received and the financials are verified, the Building Commissioner shall inspect the homeowner's property and review the homeowner's request for

improvements, including whether their request is to repair and/or replace item(s) is appropriate.

- The Building Commissioner shall take pictures of the homeowner's property when making the initial inspection, and when the project is complete and at the time the final inspection is performed.
- The owner must be present during this inspection to explain his or her needs.
- Upon inspection, if the Building Commissioner discovers any life-threatening safety issues, this will take priority and be brought to the attention of either the Mayor or Mayor Pro Tem immediately. Any repairs or improvements which are a safety issue will immediately be performed through either repair and/or replacement. Funds to complete such repairs and/or replacement will come out of LMI Reserve.
- The Building Commissioner will make recommendations based on his or her findings, owner's items, identified needs and the inspection results.
- The Building Commissioner shall bring the above information to the LMI Committee at which time the LMI Committee and the Building Commissioner shall prioritize what the absolute needs are for the home. (Safety, structure, plumbing, roof, foundation, electric, etc.)
- The Building Commissioner shall relay the information based on the Committee's decision on what projects shall be eligible to the homeowner.

Step 4: The Building Commissioner shall inform the homeowner that he or she shall obtain a minimum of two quotes per line item.

- The homeowner shall then submit quotes to the Building Commissioner.
- The Building Commissioner shall organize and prioritize the needed repairs and review the quotes to verify that each quote is comparable to the job being performed and after he or she has verified this information, shall bring the quotes and information back to the LMI Committee for review.
- The Committee shall review the quotes and the Building Commissioner's recommendations.

Step 5: The LMI Committee forwards the information to the City Council.

- City Council votes upon findings presented by both the Building Commissioner and the LMI Committee.
- If and when the application has been approved by the City Council, the City shall establish and approve a payment schedule for the project.
- The Building Commission shall notify the homeowner of the Council's decision.

Step 6: Prior to any work being done, all conditions of the home need to be in a work-worthy environment which shall be determined by the Building Commissioner.

- The Building Commissioner shall review all quotes approved by the LMI Committee, with the homeowner prior to commencing work.

- The Building Commissioner shall verify that the contractor is licensed, bonded, and insured and be current with the City.
- Duration of projects must not exceed three months after approval.
- On a case-by-case basis, extensions may be granted due to certain circumstances by the Building Commissioner and the LMI Committee.
- The first payment to the contractor shall include the entire homeowner portion of the contract.

Step 7: Once the work is complete:

- The Building Commissioner shall perform a final inspection.
- The contractor shall provide the City and homeowner copies of all warranties for the project prior to receiving final payment.
- Any payments made by the City to the Contractor shall be subject to the reporting requirements of the Internal Revenue Code and Forms 1099-MISC will be issued to the contractor if required.

Passed by the City Council of the City of Blue Grass, Iowa, this 6th day of July, 2020.

Approved and signed by the Mayor of the City of Blue Grass, Iowa, this 6th day of July, 2020.