

ELIGIBILITY

Applicants for the forgivable loan program must:

- Own their home outright or have it financed through a lending institution.
- Live in the home where the repairs will be made.
- Have notification from the City of Creston as to the issue with the building sewer.
- Be at or below 80% of the HUD Income Limit in Union County per household size (updated annually, see below).

Persons in Household	Income Limit in Total Gross (pre-tax) Dollars
1	\$33,500
2	\$38,300
3	\$43,100
4	\$47,850
5	\$51,700
6	\$55,550
7	\$59,350
8	\$63,200

Source: FY 2013 Income Limits Documentation System; January 2013. hud.gov

- The combined income of all household members who will be living in the home must be included in the determination of income. The combined household's income must be projected as an annual income. It should be assumed that the current income would continue for the next 12 months, unless there is verifiable evidence to the contrary.
- Household income requirements will include all income of persons 18 years old or older who will be living in the home.
- The City of Creston will not assist households (with this program) who are determined to exceed the HUD limits.

For more information please contact the City of Creston or the SICOG HTF.

City of Creston
116 W Adams Street
Creston, IA 50801
641-782-2000
www.crestoniowa.gov

SICOG HTF
101 E Montgomery Street
Creston, IA 50801
641-782-8491

www.sicog.com/affiliates/sicoghtf

City of Creston I&I Hardship Assistance Program



Program Overview

The purpose of the **I&I Hardship Assistance Program** is to facilitate physical rehabilitation of privately owned residential building sewers for incorporated areas within the City of Creston. The City has created the program to encourage property owners to remove illegal connections to the sanitary sewer through the issuance of a forgivable loan to qualifying homeowners, thereby contributing to the protection of public health and the environment through the reduction of Inflow and Infiltration. Undesirable connections can allow rain and ground water to make its way into the sanitary sewer. The sewer system is not designed to handle this additional water flow, which can overtax the system and contribute to sewer overflows into streams and/or lakes. Proper maintenance also eliminates the possibility of building sewer overflows caused by line defects and blockages, which can result in significant wastewater damage both inside and outside a property. The city's program is being implemented consistent with Section 95 of the Creston Code of Ordinances.

The Southern Iowa COG Housing Trust Fund (SICOG HTF) will assist the City of Creston in the administration of the **I&I Hardship Assistance Program**. The assistance will be directed towards owner-occupied households in Creston with repairs to their sanitary sewer in order to be compliant with city code.

FORM OF ASSISTANCE

A forgivable loan will be available for households that meet the eligibility requirements. The forgivable loan shall not exceed \$5,000. All loans will be made based on the lowest competitive bid from a minimum of two contractors that are pre-approved by the City of Creston to perform the sewer repairs.

The loan will be made in the form of a 5-year receding forgivable loan. On the yearly anniversary of the loan 20% is forgiven until the balance of the loan is forgiven. If the homeowner sells, rents, moves out, or the home is no longer the owner's primary residence, the homeowner is required to repay any outstanding balance to the SICOG HTF.

OWNER OCCUPANCY REQUIREMENTS

Properties that have received assistance must remain owner-occupied throughout the term of the loan and may not be used as investments or rental property or the loan would immediately be fully due and payable. Compliance monitoring may be performed and documented proof of occupancy required at intervals determined by the **I&I Hardship Assistance Program** administrators.