

**NOTICE OF MEETING AND PROPOSED AGENDA
OSKALOOSA HOUSING TRUST FUND COMMITTEE**

Thursday, June 6, 2013 – 12:00 NOON

Conference Room – City Hall

1. CALL TO ORDER/ROLL CALL:
2. APPROVAL OF MINUTES
3. Consider a resolution releasing two Forgivable Loan Agreements given by Lisa Evans in exchange for the transfer to the City of Oskaloosa of the real estate encumbered by the loans.

Explanation:

Richard and Lisa Evans previously received funds from the Oskaloosa Housing Trust Fund pursuant to a program for the demolition and rehab of dilapidated structures in the amounts of \$4,000.00 and \$3,500.00, and in exchange gave the Oskaloosa Housing Trust Fund liens upon two parcel of real estate owned by them. The properties were never redeveloped and under the terms and conditions of the Forgivable Loan Agreements, the amounts otherwise are payable to the Oskaloosa Housing Trust Fund. The Evanses have since divorced and title passed to Lisa Evans. Evans has agreed to deed the properties to the City of Oskaloosa in satisfaction of the two liens.

Financial Impact:

Recouping collateral to offset amounts previously loaned by the Oskaloosa Housing Trust Fund. Recording fees of \$14.00 to remove the liens placed on the properties.

Recommended Action:

Adoption of a resolution releasing two Forgivable Loan Agreements given by Lisa Evans in exchange for the transfer to the City of Oskaloosa of the real estate encumbered by the loans.

4. DISCUSSION AND POSSIBLE ACTION ON THE DEMOLITION GRANT AGREEMENT FROM DAVID WRIGHT

Explanation:

David Wright entered into a demolition grant/lien agreement with the City of Oskaloosa Housing Trust Fund on March 9, 2009. At the August 9, 2011 OHTF meeting the OHTF Committee granted Mr. Wright an extension on his loan agreement until September 1, 2012 contingent on a building permit being issued by June 1, 2012. On June 4, 2012 the city clerk's office contacted Mr. Wright regarding a repayment agreement for his demolition loan. On July 3, 2012 Mr. Wright requested an extension until September 1, 2012. At the July 12, 2012 OHTF monthly meeting it was approved to grant a second and final extension to Mr. Wright until June 1, 2013 with the additional stipulation that his project be complete and ready for occupancy by the second and final deadline.

As of June 1, 2013 Mr. Wright needs to make the following corrections to qualify for his certificate of occupancy:

- 1) Add receptacle at west end of kitchen countertop
- 2) Direct bath vent fan to exterior with termination fitting
- 3) Cover exposed foam insulation in basement with flame barrier
- 4) Install ladder in basement egress/rescue window well

Attachments:

Correction list from Danny Bolt, Correspondence from City Clerk's Office and Mr. David Wright

5. DISCUSSION AND POSSIBLE ACTION ON A SUBORDINATION POLICY FOR THE OHTF PROGRAMS (See Attachment)
6. DISCUSSION AND POSSIBLE ACTION ON JULY MEETING DATE
7. DISCUSSION OF ELECTION OF OFFICERS
8. MISCELLANEOUS
 - a. Approval of claims
 - b. Accounting reports
9. CITIZENS TO BE HEARD
10. ADJOURNMENT

If you require special accommodations, please contact the City Manager's Office at least 24 hours prior to the meeting at (641) 673-9431.

OSKALOOSA HOUSING TRUST FUND COMMITTEE MINUTES

Thursday, May 2, 2013 - 12:00 Noon

City Hall Conference Room

The committee meeting was called to order by Chairman Taylor at 12:27 p.m. with the following members present: Chairman Rob Taylor, Dan Adams, Jon Sullivan, Joe Caligiuri, Valinn McReynolds and Kathie Dykstra. Members absent: Bernice Hahn, Julia Ross, Noel C. Stahle, Kandes Dalbey, Leon McCullough, Dave Polkowske and Randell Davis. Also present: City Manager Michael Schrock and City Clerk Amy Miller.

It was moved by Adams, seconded by Caligiuri to approve the April 11, 2013 Housing Trust Fund Committee Minutes. Motion carried unanimously

It was moved by Sullivan, seconded by Adams to cancel membership in the National Association of Housing & Redevelopment Officials organization. Motion carried unanimously.

Miller presented information about the present practice for record retention and recommended approach going forward that included keeping incomplete files for two years. It was moved by Caligiuri, seconded by Adams to adopt the records retention policy as recommended by the City Clerk. Motion carried unanimously.

The committee discussed subordination guidelines for OHTF programs with city staff. Miller indicated that since subordination is not included in the First-time Homebuyer and demolition programs, she is not comfortable doing those during refinancing. Miller asked the committee if they wanted her to do this in the future. The committee asked Miller to do more research and report back next month.

The committee discussed the properties along North Market Street with city staff. No action was taken but the committee indicated they support enforcement of existing city codes.

Taylor provided an update on regional funding and the efforts to access more state funds and donations from various sources. Taylor said six counties agreed to help fund AHEAD with a maximum of \$45,000; helps with applications to Iowa Finance Authority on a 4-1 basis. Taylor will send a report to the group showing use of Regional AHEAD funds.

It was moved by Caligiuri, seconded by Adams to approve the April claims list for payment. Motion carried unanimously.

Miller reviewed the accounting report with the committee.

The meeting adjourned at 1:00 p.m.

Minutes by Michael Schrock

RESOLUTION NO. _____

A RESOLUTION RELEASING TWO FORGIVABLE LOAN AGREEMENTS GIVEN BY LISA EVANS IN EXCHANGE FOR THE TRANSFER TO THE CITY OF OSKALOOSA OF REAL ESTATE ENCUMBERED BY THE LOANS

WHEREAS, Richard and Lisa Evans previously received funds from the Oskaloosa Housing Trust Fund pursuant to a program for the demolition and rehab of dilapidated structures in the amounts of \$4,000.00 and \$3,500.00, and in exchange gave the Oskaloosa Housing Trust Fund liens upon two parcels of real estate owned by them; and

WHEREAS, the properties were never redeveloped and under the terms and conditions of the Forgivable Loan Agreements, the amounts otherwise are payable to the Oskaloosa Housing Trust Fund; and

WHEREAS, the Evans have since divorced and title passed to Lisa Evans; and

WHEREAS, Evans has agreed to deed the properties to the City of Oskaloosa in satisfaction of the two liens, and a formal resolution accepting the deed back is required to appear of record.

NOW, THEREFORE, BE IT RESOLVED by the Oskaloosa Housing Trust Fund of Oskaloosa, Iowa that the two Forgivable Loan Agreements given by Lisa Evans be released in exchange for the transfer to the City of Oskaloosa of the real estate encumbered by the loans.

PASSED AND APPROVED this _____ day of June 2013.

Rob Taylor, Chair

Attest:

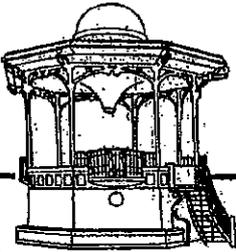
Amy Miller, City Clerk

Project: 911 C Avenue West.

Corrections needed to qualify for Certificate of Occupancy.

1. Add receptacle at west end of kitchen countertop.
2. Direct bath vent fan to exterior with termination fitting.
3. Cover exposed foam insulation in basement with flame barrier.
4. Install ladder in basement egress/rescue window well.

Danny Bolt
Building Official



City of Oskaloosa

Telephone: (641) 673-9431 • Fax (641) 673-3047

July 13, 2012

Mr. David W. Wright
2865 265th Street
Oskaloosa, IA 52577

Dear Mr. Wright,

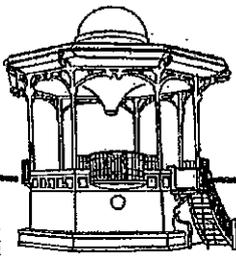
Your request for an extension on your demolition loan agreement for the property located at 911 C Avenue West was granted until June 1, 2013 with the condition that the project is complete and ready for occupancy by June 1, 2013. Please be advised that this will be the last extension offered.

If you have any questions regarding this matter, please feel free to contact me.

Sincerely,

Amy Miller
City Clerk-Finance Director





City of Oskaloosa

Telephone: (641) 673-9431 • Fax (641) 673-3047

June 4, 2012

Mr. David W. Wright
2865 265th Street
Oskaloosa, IA 52577

Dear Mr. Wright

On February 18, 2009, you entered into a loan agreement with the City of Oskaloosa in the amount of \$4,000.00 for demolition of a house located at 911 C Avenue West. The agreement states if the property was redeveloped with a structure(s) that equals or exceeds the assessed value of the structure being demolished within two years, the grant would be forgiven. If no improvements were made to the property, the grant was to be paid back to the city. At their August 9, 2011, meeting the Oskaloosa Housing Trust Fund granted your request for an extension on your loan agreement contingent on a building permit being issued by June 1, 2012. According to the Public Works Department, as of this date a building permit has not been issued for 911 C Avenue West. Please contact me so that we can set up a repayment agreement for this demolition loan.

Sincerely,

Amy Miller
City Clerk-Finance Director



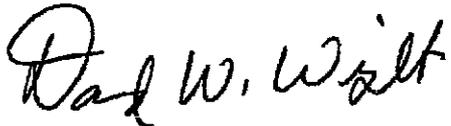
June 29, 2012

Hand delivered to
City Clerk's Office
on 7/3/12

Committee members,

On August 9, 2011 the Oskaloosa Housing Trust Fund committee granted me an extension till September 1, 2012 for a demolition loan for the property at 911 C Ave West. There was a condition of a building permit to be issued by June 1, 2012. I know it is after the June 1st deadline, but I would like to request an extension for the building permit. I originally had plans to build a stick-built home on this property, but this spring an opportunity opened up to purchase a newer house to be moved. After getting bids for moving the house and a new basement foundation I have put a bid in for the house. The bids are to be opened on July 5, 2012. Since this is what I am looking to do, I cannot get a building permit until I have purchased the house and a site plan is approved by the city. Hopefully I will have all of the answers by the time this is brought in front of the committee.

David W. Wright



July 27, 2011

David Wright
2865 265th St.
Oskaloosa, IA 52577

Oskaloosa Housing Trust Fund
City Hall
Oskaloosa, IA 52577

Dear Committee Members,

I am writing this in regards to the Demolition Grant I received for the property located at 911 C Ave West. The house was demolished in late summer 2009 and improvements to the existing garage were made in fall of 2010. At the current time I am in the final stages of refurbishing an existing house that I own and I have another house that I need to finish before starting the new dwelling at 911 C Ave West.

I would like to request an extension on this grant with an anticipated start date of June 1, 2012 for the new dwelling. I anticipate the completion date to be approximately 9 months after starting.

Sincerely,



David Wright



Reprint Loan Note
9-1-11



OSKALOOSA HOUSING
TRUST FUND

OSKALOOSA HOUSING TRUST FUND

SUBORDINATION POLICY

The following policy has been approved in conjunction with the following program plans:

A Avenue/Market Deferred program: Subordination allowed in cases where new financing results in lower monthly housing payments and/or additional improvements made to residence. Subordination not allowed in cases that refinance credit card debt, cash to borrower, loans with excessive fees, etc.

Demolition program (I or II): No subordination due to short term nature of loan.

FHLB Forgivable Loan program: Subordination allowed in cases where new financing results in lower monthly housing payments and/or additional improvements made to residence. Subordination not allowed in cases that refinance credit card debt, cash to borrower, loans with excessive fees, etc.

First-time Home Buyer loan program: Subordination allowed in cases where new financing results in lower monthly housing payments and/or additional improvements made to residence. Subordination not allowed in cases that refinance credit card debt, cash to borrower, loans with excessive fees, etc.

IFA Deferred Rehab program: Subordination allowed in cases where new financing results in lower monthly housing payments and/or additional improvements made to residence. Subordination not allowed in cases that refinance credit card debt, cash to borrower, loans with excessive fees, etc.

New Construction Forgivable Loan program: Subordination allowed in cases where new financing results in lower monthly housing payments and/or additional improvements made to residence. Subordination not allowed in cases that refinance credit card debt, cash to borrower, loans with excessive fees, etc.

Urgent Repair Deferred program: Subordination allowed in cases where new financing results in lower monthly housing payments and/or additional improvements made to residence. Subordination not allowed in cases that refinance credit card debt, cash to borrower, loans with excessive fees, etc.

SUBORDINATION PROCESS

1. Subordinations will only be considered for the original homeowner listed on the city loan(s); additional parties will not be considered in the subordination to the primary loan.
2. The appraised value of the home during the subordination process must be more than the total of the new primary loan plus the remaining balance of the city's loan(s).
3. For homeowners/lending institutions requesting a subordination of a OHTF program loan, the following documents must be sent to the City Clerk-Finance Department:
 - a. A signed Release of Information from the homeowner
 - b. A Good Faith Estimate or Settlement form for the new mortgage
 - c. An appraisal report of the homeowner's property
 - d. Verification of city mortgage (As required by the lender; not all banks require this form)
4. Once the required documents are provided, the new primary mortgage is reviewed. Unless allowed by the program plan, subordinations are not allowed for loans that pay off credit cards, car loans, or other debts by the homeowner. If requirements are met, the subordination can proceed with the lending institution.
5. A subordination agreement is completed and submitted to the Mayor for signature. Once the \$75 processing fee is received from the homeowner/lending institution, the subordination agreement may be released to the lending institution for finalization and recording.
6. The recorded agreement is returned to the City Clerk-Finance Department and added to the homeowner's loan file.

OTHER COMMUNITIES:

City of Dubuque: Only allow subordinations for refinancing with no cash out, unless for home improvements. In the case of remodeling the home appraisal would have to be enough to cover the prime mortgage and the housing trust loan. If refinancing for cash-out the housing trust loan would need repaid in full. Require HUD settlement statement and appraisal from primary bank.

City of Cedar Rapids: Only all subordination for refinancing of principal loan only. Must be enough value of home to cover principal and housing trust loan. All taxes must be up to date. Follow HOME federal guidelines. Charge \$75 processing fee.

SWIPCO (Southwest Iowa Planning Council): Refinance only for primary mortgage; only allow extra cash out for home improvements. Require verbal confirmation from primary bank on loan, no other paperwork. Does not charge processing fee.

IFA (Iowa Finance Authority): Recommend refinancing for better rates or home improvement only. Advise against subordination that allows "cash out" for other debts. IFA advice aligns with Oskaloosa's current programs: "Subordination allowed in cases where new financing results in lower monthly housing payments and/or additional improvements made to residence. Subordination not allowed in cases that refinance credit card debt, cash to borrower, loans with excessive fees, etc."

OSKALOOSA HOUSING TRUST FUND
April 30, 2013

HOUSING FUND

Fund
Balance

<u>Beginning Balance</u>	YTD	\$201,732.22
<i>Revenue:</i>		
140503044300 Interest	\$510.58	
140503014570 Processing Fees	\$1,730.00	
140503024711 Loan Repayments	\$42,917.27	
140503024713 Loan Repayments (unrestricted)	\$25,736.84	
140503044830142 Transfer In	\$0.00	
<i>Total Revenue</i>	\$70,894.69	
 <i>Expenses:</i>		
14050306240 Meetings & Conferences	\$0.00	
14050306405 Recording Fee Expense	\$918.00	
14050306413 Payments to Other Agencies	\$0.00	
14050306495 Housing Loans/Assistance	\$19,397.00	
14050306498 Refunds & Reimbursements	\$110.09	
14050306497 Demo Loan	\$12,000.00	
14050306511 Copying	\$2.25	
14050306910001 Transfer Out	\$0.00	
<i>Total Expenses</i>	\$32,427.34	
 <u>Ending Balance</u>		 \$240,199.57
 **Loan Repayments (unrestricted) 6/30/11 balance	 \$48,464.44	
**Loan Repayments (unrestricted) 6/30/12 balance	\$42,687.69	
Total	\$91,152.13	

GRANT & LINCOLN SCHOOL DEVELOPMENT

<u>Beginning Balance</u>	Program To Date	
<i>Revenue:</i>		
144503024715 Refunds	\$2.54	
144503044800 Sale of Real Property	\$160,000.00	
144503044800 Transfer In	\$19,607.49	
<i>Total Revenue</i>	\$179,610.03	
 <i>Expenses:</i>		
14450306240000 Miscellaneous Expenses	\$34,943.16	
14450306310 Meetings & Conferences	\$1,225.88	
14450306320 Building Maintenance & Repair	\$0.00	
14450306320 Grounds Maintenance & Repair	\$2,749.35	
14450306371 Electric/Gas Expense	\$1,264.10	
14450306402 Advertising Expense	\$35.17	
14450306413 Insurance Expense	\$1,874.56	
14450306413 Payment to Other Agencies	\$82,009.00	
14450306490 Other Professional Services	\$3,180.70	
14450306910001 Transfer Out	\$31,000.00	
<i>Total Expenses</i>	\$158,281.92	
 <u>Ending Balance</u>		 \$21,328.11

HOUSING DONATED FUNDS**Program To
Date****Fund
Balance***Revenue:*

138503024705

Contributions 2007-08	\$84,125	\$ 84,125.00
Contributions 2009-10	\$68,350	\$ 68,700.00
Contributions 2010-11	\$68,350	\$ 68,250.00
<i>Total Revenue</i>		<u>\$ 221,075.00</u>

Expenses:

13850306413

Payments to Other Agencies		\$ 1,000.00
First Time Home Buyer 2008	\$64,125	\$ 40,732.00
First Time Home Buyer 2009	\$48,350	\$ 48,100.00

13850306495

Housing Loans/Assistance		\$ 36,502.26
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13850306497

Demo Loan 2008	\$20,000	\$ 20,000.00
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Demo Loan 2009	\$20,000	\$ 20,000.00
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13850306910145

Transfer Out (2010 IFA Grant Match)		<u>\$ 20,000.00</u>
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<i>Total Expenses</i>		<u>\$ 186,334.26</u>
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Ending Balance**\$ 34,740.74**

City of Oskaloosa
Claims Register

May-13

Andrew L/Mauree Haage & First National Bank Midwest	First time homebuyer loan	2,899.88
Bram/Melissa M Vermeulen & First National Bank	First time homebuyer loan	2,660.99
Helen Edgington & Hol Drainage Inc	Demolition loan - 401 N A St	<u>4,000.00</u>
	GRAND TOTALS	9,560.87
	FUND TOTALS	
	Fund 140 - Housing Funds	<u>9,560.87</u>
	***	9,560.87

Signature

Date

Signature

Date

Oskaloosa Housing Trust-Monthly Activity

May-13

1st time Homebuyer payments for May 1, 2013 \$ 3,150.51

Restricted \$ 2,013.08

Non-restricted \$ 1,137.43

1st Time Homebuyer Loan issued

Name *Amount* *Payments start*

Bram/Melissa Vermeulen \$ 2,660.99 6/3/2013

Andrew/Mauree Haage \$ 2,899.88 7/1/2013

1st Time Homebuyer Loans final payments this month

Name *Date completed*

Amy Comstock 5/1/2013

Jo Davis 5/1/2013

Clyde/Michelle Dickerson 5/1/2013

1st Time Homebuyer Loans final payments next month

Name *Date completed*

Joyce Moore 6/3/2013

1st Time Homebuyer Loans paid in full

Name *Date paid* *Payment*

Terry Oaks 5/24/2013 \$ 430.78

Demolition loans issued

Name *Amount*

Helen Edgington \$ 4,000.00

Files waiting on documentation

Name *Program* *Missing documents* *Date of loan*

Andrew/Mauree Haage 1st time HB Recorded mortgage 5/23/2013