

## CITY OF CORNING RENTAL REHABILITATION PROGRAM

### PROCEDURES

August 4, 2003

The City of Corning offers to eligible rental property owners a loan program designed to bring units within the City into Code compliance. The City's main goal under this program is to ensure the safety of tenants and the marketability of units.

#### EXISTING UNITS PROGRAM:

1. To qualify for a loan:
  - a. you must be the legal owner of the property;
  - b. you must be able to pay your share of the repair costs;
  - c. your property must be located within the City of Corning and be an existing two-to-four unit rental property (the City will not loan money to convert a single-family home to apartments); and
  - d. all real estate taxes and water and sewer fees on the property for which application is being made must be current.
2. Available assistance:
  - a. You can receive a loan of up to 75% of the rehabilitation costs. The maximum eligible amount per unit is \$15,000, meaning that a maximum loan of \$11,250 per unit can be made.
  - b. Loans of under \$10,000 will not be considered due to the cost of administering the loan.
  - c. The interest rate is 2%.
3. Types of eligible repairs include:
  - a. Structural, such as roofing, foundations and siding;
  - b. Major mechanical systems, such as plumbing, electric and heating;
  - c. Health and Safety issues;

- d. Winterization and other energy saving work.

All loans must be fully collateralized. If the equity in the building in which the work is to be done is insufficient to collateralize the loan, the applicant must provide other real estate, cash, certificates of deposit, bonds, stocks or other securities acceptable to the Loan Review Committee and City Council.

#### PROCEDURE

- a. The applicant shall complete an application, verifying ownership and describing in detail the work he/she wants to undertake. A \$50 nonrefundable application fee must accompany the application.
- b. The applicant shall arrange for an on-site inspection for the proposed work, develop a work write-up which will bring the project up to Code, and calculate a cost estimate. This information must be approved by the Department of Planning and Economic Development before proceeding and all required building permits must be obtained.
- c. The loan application is delivered to the Director of Planning and Economic Development. The City Finance Office will conduct a full credit history, and the Loan Review Committee will review the application and credit information, then make a recommendation to City Council that the loan be approved or denied. If the recommendation is to approve, the loan will be placed on Council's next meeting agenda for consideration; if the recommendation is to deny, the City will not process the application further. Council members are advised of loans denied.
- c. The applicant shall complete the loan process as described above and sign an agreement with the contractor hired to do the work. The loan funds will be disbursed as the staff of the Department of Planning and Economic Development receives receipts for labor and materials. Repayment of the loan begins one month after disbursement of the loan funds.

It will take at least thirty days to complete the application process.

Office hours for the Department of Planning and Economic Development are Monday through Friday, 8:00 a.m. to 5:00 p.m. The telephone number is (607) 962-8589, the FAX number is (607) 962-0578, and the e-mail address is [planning@stny.rr.com](mailto:planning@stny.rr.com). Please call in advance to establish meeting times. Arrangements can be made for those persons unable to visit the office.