



City of Racine, Wisconsin
AGENDA BRIEFING MEMORADUM

AGENDA DATE:	October 12, 2017
SUBJECT:	Housing Repair Loan Program Policies and Procedures Manual Amendments
PREPARED BY:	Laura Detert, Manager of Housing and Community Development
EXECUTIVE SUMMARY:	<p>Department of City Development - Division of Housing and Community Development requests that the Loan Board of Review approve a resolution revising the existing CDBG Housing Repair Loan Program Policies and Procedures.</p>
BACKGROUND & ANALYSIS:	<p>The current loan policies allow loans up to \$24,999 and do not specify lead remediation/abatement calculations or other funding sources. The current loan limits, eligible applicants, and lack of lead funding calculations may not be in the best interest of the program's housing repair goals. Furthermore, review of current policy has been recommended by HUD staff for both regulatory compliance and best practices. City staff recommends the Loan Board review the current policies regarding loan limits and lead calculations and direct staff to update the Housing Repair Loan Program Policies and Procedures Manual if changes are desired.</p> <p>The Manual sections under review are:</p> <p><i>Chapter 3: Eligibility Requirements: B. Applicant Requirements</i></p> <p><i>Chapter 4: Loan, Debt, and Other Underwriting Standards: A. Loan Limits</i></p> <p><i>Chapter 6: Loan Administration: C. Environmental Review, Architectural, Lead-Based Paint Assessments, and Energy Audits</i></p> <p><i>Appendices: EE. Lead Hazard Abatement Costs for Rehabilitation Projects</i></p>
BUDGETARY IMPACT:	<p>Increased loan limits for CDBG Home Repair Loans would create larger draws from the CDBG Home Repair Loan Revolving Loan Fund on a per project basis. Loans are amortizing (non-deferred) and non-forgivable without Loan Board approval.</p>
RECOMMENDED ACTION:	<p>Staff recommends that the Loan Board of Review approve amendments to the CDBG Housing Repair Loan Program Policies and Procedures.</p>