

DEPARTMENT OF COMMUNITY DEVELOPMENT
RENTAL TO OWNER CONVERSION INCENTIVE PROGRAM INFORMATION

City of Cedar Falls
220 Clay Street
Cedar Falls, Iowa 50613

General Information: The program offers a Forgivable Loan up to \$10,000 for improvements to a single unit residential rental property being purchased and converted to an owner occupied residence. Funding is only available for rental property purchases and must be coordinated with lenders/realtors at time of closing or shortly after. (Lenders/realtors are encouraged to contact City staff early on in the purchase review process). It is a discretionary program that provides a five year forgivable loan for qualifying improvements. Projects must meet the following minimum criteria:

1. Properties must be located in a block of R-1 or R-2 zoning (a mixture of the two can be present), that have been rentals for at least 3 years.
2. Property must be a single unit
3. Residences located in the designated Boundary Area (see attached map) containing less than 75% rental properties, with potential preference to a project within a block containing less than 50% rentals.
4. 100% of the City funded project cost is associated with the building exterior or property improvements.

This is an initial pilot program to determine neighborhood impact and level of participation.

Deadline: Rolling through FY25

Evaluation of Proposals: Projects will be evaluated based on the following elements:

- Level of investment – Is the owner leveraging the grant to provide more than a 1:1 match?
- Scope of the project – Are multiple exterior and property improvement items included in the project?
- Neighborhood context – Is this a neighborhood with less than 50% rentals where there is potential to maintain a balance of majority owner-occupied residences?
- Distinguishing factors – Are there other circumstances to consider that make the request exceptional and lead to significant positive impacts upon the neighborhood?

This is a discretionary program. There is no requirement to fund a project request.

Major Exterior Improvements May Include:

- Siding – Replacing or scraping and repainting a majority of the house (and garage).
- Windows – Improvement (re-glazing, repainting, restoring to functional, etc.), replacement, restoration of boarded up/covered window(s) over a majority of the windows.
- Other items may be funded as part of a larger project up to a reasonable limit, including aspects such as (see next page):

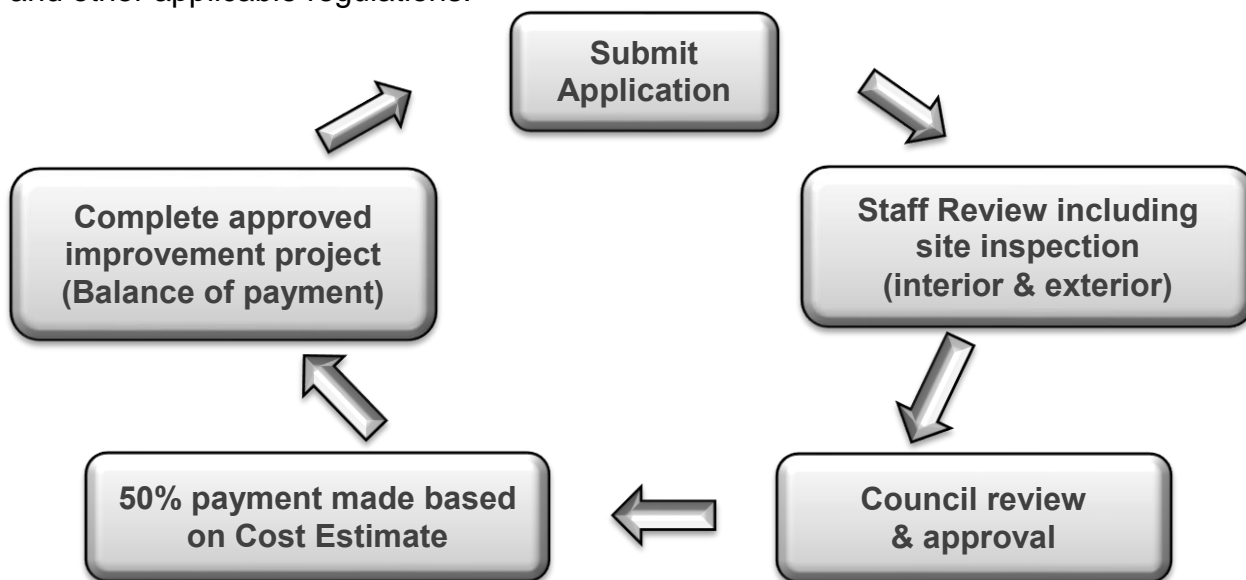
City of Cedar Falls

(319) 273-8600: email: planning@cedarfalls.com

Rental Conversion Incentive Program/Background/Rental Conversion Application 8-3-20

- Landscaping (up to \$1,000)
- Roof – replacing and gutters
- Removing extra areas of paving or deteriorated paving, gravel and replacing gravel with hard surface and removal of deteriorated stoops/porches.

Review & Approval Process: Once the City’s Community Development Department receives a completed application, an on-site inspection will take place to complete a major systems evaluation. Information gathered during the inspection and project information provided in the application will be factored into the project evaluation completed by city staff. Projects are subject to City Council approval. Any awarded project will require the placement of a lien on the property for which 20% will be forgiven each year for five years with prorated payback if sold prior to the end of five years. All projects must comply with all Planning & Zoning, Building, Fire, and other applicable regulations.

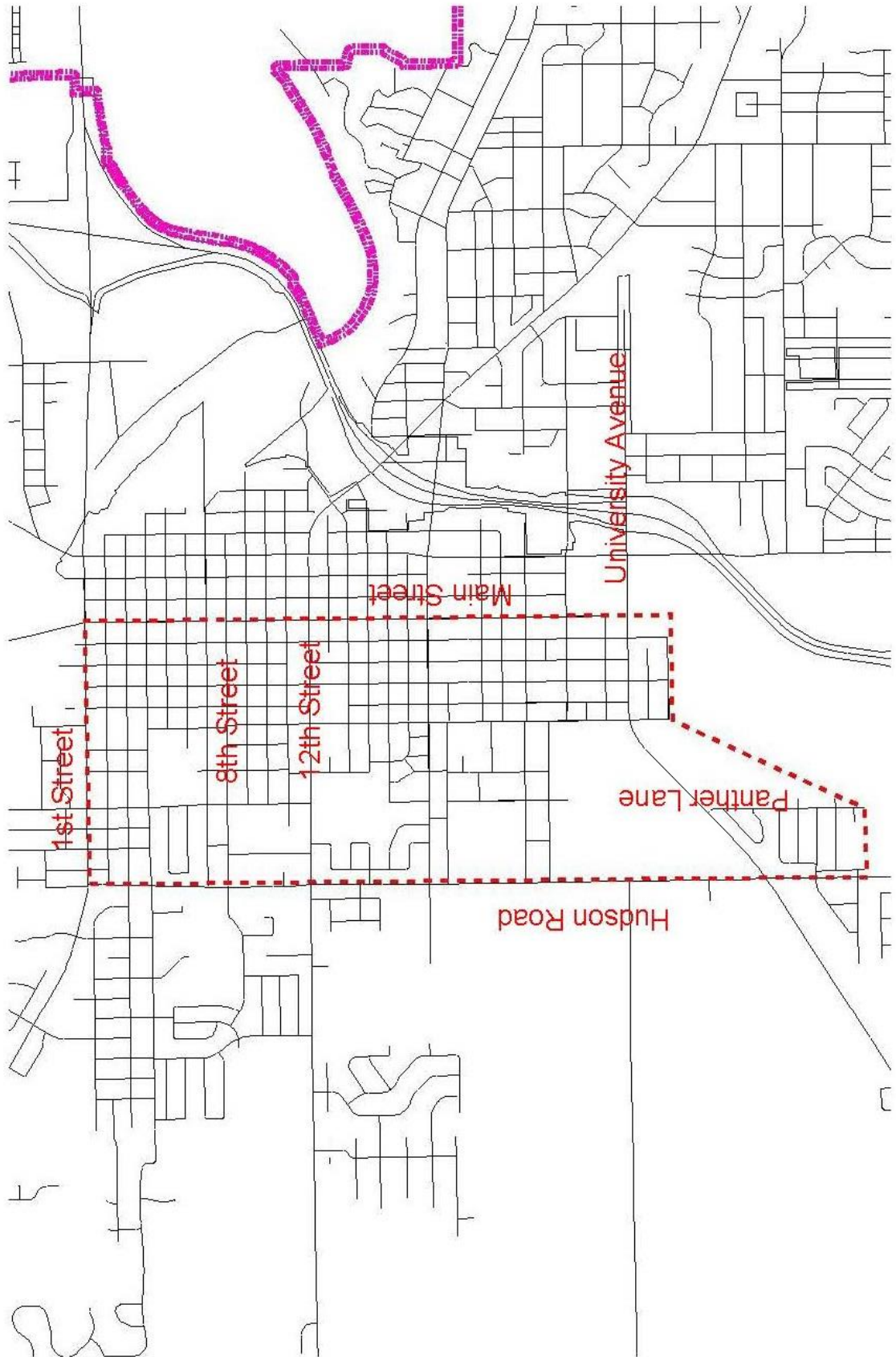


Forgivable Loan Funding Process: Upon signing all applicable documents, approved recipients will receive 50% of the funds at closing. The final 50% will be reimbursed to homeowner upon project completion with documented receipts and staff inspection of completed improvements. Completion includes: addressing all project improvements that were indicated in the program application and contract, any remaining invoices and corresponding proof of payment, as well as recording all required documents (including but not limited to the applicable lien).

Checklist for a Complete Submittal: Submit the completed application and all required attachments to the Planning and Community Services Division or email to planning@cedarfalls.com. See checklist below to assist in a complete submittal.

- Completed Rental to Owner Conversion Grant Program Application
- Drawings and plans of the building detailing existing and proposed building layout
- Narrative describing the project and the anticipated impact
- Itemized estimated or actual project cost

Rental to Owner Conversion Program Boundary Map



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DEPARTMENT OF COMMUNITY DEVELOPMENT
RENTAL TO OWNER CONVERSION INCENTIVE PROGRAM APPLICATION

City of Cedar Falls
220 Clay Street
Cedar Falls, Iowa 50613

Property's Address: _____

Property Zoning (circle one): R1 , R2 , Other

Name of Applicant: _____

Applicant's Email: _____ Daytime Phone #: _____

Current Deed Holder or Contract Buyer: _____

Owner Name (if different than above): _____

Owner Mailing Address (if different than above): _____

Owner's Email: _____ Daytime Phone #: _____

Nature of improvements (specify): _____

Estimated or Actual Cost of Improvements: _____

Proposed Start Date: _____ Estimated or Actual Date of Completion: _____

Lender: _____ Daytime Phone #: _____

Lender Address: _____

Applicants Signature: _____ Date: _____

Name (Printed): _____

FOR CITY USE ONLY

CITY COUNCIL	Application Approved / Disapproved Reason (if disapproved): _____ Date: _____ Resolution No. _____ Attested by the City Clerk _____
ASSESSOR	Present Assessed Value of Structure _____ Assessed Value with Improvements _____ Eligible or Non-eligible for Tax Abatement _____ Assessor _____ Date _____