
Home Renewal Program

City of Helena

Community Development Department



Overview

- CDBG – Housing Stabilization Program
- Applied and awarded in 2019
- Intended to support and improve the quality of decent, affordable housing within city limits
- 5 years to access funds
- There is no maximum grant amount – based on need and scope of project



How it works

- Deferred subordinate loan to assist qualified borrowers with rehabilitation needs that accomplish one or multiple of the following goals:
 - Preserve the home
 - Correct health and safety deficiencies
 - Remedy accessibility needs
 - Address weatherization or energy efficiency deficiencies
 - Partnering with NeighborWorks MT for loan underwriting
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Minimum Requirements to Apply:

Owner-occupied single-family home within city limits

No late mortgage payments in the last 12 months and no unpaid real estate tax payments

No more than \$15,000 in liquid assets

Credit score of at least 580 or a credit explanation letter

Income at or below 80% AMI

# in Household	1	2	3	4	5	6	7	8
80% AMI Income Limit	\$ 49,250	\$ 56,250	\$ 63,300	\$ 70,300	\$ 75,950	\$ 81,550	\$ 87,200	\$ 92,800

Loans

Example of Rehab funds at 105% Tax Assessed Value	
Tax Assessed Value of Home	\$ 230,000.00
105% Tax Assessed Value	\$ 241,500.00
Outstanding Debt	\$ 200,000.00
Subtract debt from 105% for Rehab funds of...	\$ 41,500.00

- Range \$15,000-100,000 (not to exceed 105% of current tax assessed value)
- 0.00% interest rate
- 10-year term, forgiven after 10 years of continued occupancy
 - Full repayment triggered in years 1-5 if sold
 - In years 6-10, 20% of debt is forgiven annually

To Refer or Apply

Invitation to apply link on
the City's Community
Development webpage

Submission will prompt
Housing Coordinator to
contact applicant and
assess whether to move
on to full application


When in doubt, fill out
the form or contact the
Housing Coordinator
(406-447-8028,
ksnyder@helenamt.gov)

Next steps for Applicant

Complete the full application and
home-owner education course



Begin underwriting process to
determine max loan amount



Inspection



Site specific environmental review (in
the event of lead, asbestos, radon)



Scope of Work

Application Submittal



Applications will be processed on a first come, first serve basis



All fees, including loan processing and inspection fees will be paid with grant funds



Construction process

1. Get estimates from contractors (contractor must not be debarred)
 2. Applicant selects contractor
 3. Begin work – City will facilitate weekly project meetings with contractor and applicant to ensure expectations are being met and project is on track
 4. Each project should take no more than 9 months from the time funds are committed from Commerce
 5. Periodic inspections completed by City to determine progress or completion
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Process notes

- To start, we will engage in one ongoing project at a time. However, we will be able to engage in multiple projects at a time
 - We want to have the next applicant ready to go as soon as possible
 - City will pay contractors directly as opposed to having applicant pay
 - Final payment will be made upon successful completion of a Housing Quality Standards inspection
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Continued Affordability

- A deed restriction will be applied to the property to ensure affordability and prompt repayment if necessary
- Any returns will be put in a revolving loan fund for similar future projects

Subsidy Amount (amount of CDBG Rehab assistance provided to a homebuyer)	Minimum Affordability Period
Under \$15,000	5 years
\$15,000-\$40,000	10 years
Over \$40,000	15 years

Next Steps:

- Launch date set for mid-January
 - Outreach material available when program launches
 - Fliers, brochures, social media, link to the invitation to apply
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NWMT's Lending Team – We're Here for You!



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Questions?

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