



City of Berlin TID Housing Extension Program

PROGRAM DESCRIPTION:

The City of Berlin's TID Affordable Housing Loan Program is a housing stock renewal loan program that is intended to improve the quality, functionality, affordability and attractiveness of homes in Berlin. The program was created by the City of Berlin's Common Council and will be administered by the City of Berlin. Most of Berlin's housing stock was constructed many years prior and although most of the homes have been well maintained, many of them no longer meet the needs of today's households, particularly young families with children. We have heard from many families interested in buying a house in Berlin that the cost of bringing a home up to modern standards, when added to the initial purchase price, makes a Berlin home purchase unaffordable compared to purchasing a newer home.

Funds from the program will be available in the form of a loan with 2% interest over the life of the loan. Loans will be funded using TID funds from a closing TID district in the city. The primary goals of the program include rejuvenating existing and aging housing stock to make it more attractive to buyers, especially young families, and well as working to close the income gap through a program making repairing a property in the Berlin community more accessible to all. Important byproducts resulting from home improvements made through this program include the sustaining of a school-age population of children, improving the energy efficiency of the city's housing stock, stabilizing the city's tax base, and building and enhancing community capacity and aesthetics.

ELIGIBILITY REQUIREMENTS:

Eligible applicants include owner occupied properties within the City of Berlin looking to make substantial system or structural improvements to the home to enhance its safety, functionality, or efficiency, and bring it to modern standards. Homes must be occupied by the funding applicant as the owner for a period of two (2) years at the time improvements are made to be eligible for funding. Applicants must also not qualify for any other low-to-moderate income-based home repair loan program, such as the CDBG program administered by Juneau County.

ELIGIBLE USES:

Exterior Work and Repairs: Funds may be used for work completed on the exterior of the home, and any repairs needed on the exterior to bring the home into compliance with current standards and codes, or to modernize them to current quality, efficiency, and performance levels.

Interior Work and Repairs: Funds may be used to make upgrades to home systems including electrical, plumbing, mechanical, or other systems or functionally outdated features, to bring them into compliance with current standards and codes, or to modernize them to current quality, efficiency, and performance levels.

Energy Efficiency: Funds may be used for window replacement and insulation improvements and other measures that will increase the heating and cooling efficiency and overall performance of the home.

Repayment of any loan application fees incurred as part of this program is an eligible use of loan funds received. All decisions regarding loan fund disbursements, loan eligibility, and the uses of loan funds will be made by the City of Berlin's Common Council.

Please note that funds may only be used for improvements made on the primary housing structure, and not any auxiliary structures on a lot. Work on garages where the primary use is parking cars used by the resident household is an eligible use of loan funds; however, higher priority will be given to attached garages.

LOAN TERMS:

Loans will consist of 2% interest over the life of the loan, and act as a deferred second mortgage with payments amortized over ten (10) years following the award of the loan, or at sale (or refinancing) of the home, whichever comes sooner. At the end of the loan term, the amount of the loan must be repaid in full. If the loan amount is less than \$30,000, there will be an option to amortize payments over less than ten years.

The maximum amount of any loan award will be \$30,000. Applicants may only qualify for one (1) of the programs and may not combine with any other City loan or grant program.

Applications for the TID Housing Loan Program funding requests will be reviewed by City Staff for program eligibility. Application requests will be subject to review and approval by the Community Development Authority, subject to available program funding and final approval by Common Council.

Applicants must work with a local financial institution or provide another source of identifiable funding to cover the balance of home improvement costs or down payment costs not covered by the loan. Construction on home improvement projects must begin within sixty (60) days of loan approval and be completed within one-hundred eighty (180) days of the start of construction, unless a longer time-frame is approved. City Staff will keep record of the dates of loan approval and the start of construction.

The City of Berlin reserves the right to take and use photographs, as well as develop project summaries of individual improvement projects for publicity purposes.

For questions regarding the program, please contact:

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