



**COON RAPIDS MORTGAGE  
ASSISTANCE FOUNDATION**

**May 2, 2019**

**9:00 a.m.**

**Coon Rapids City Hall  
Conference Room 1**

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**Call to Order**

**Roll Call**

**Adopt Agenda**

Approve minutes of the December 6, 2018, meeting

**New Business**

1. Review Front Door Grant Program and consider additional funding

**Other Business**

**Adjourn**



**Mortgage Assistance Foundation**

**Meeting Date:** 05/02/2019

**SUBJECT:** Approve minutes of the December 6, 2018, meeting

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**Information**

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**Attachments**

Draft Minutes

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President Schulte reviewed the history of the funds. Fund 82000 has been and is under the control of the Mortgage Assistance Foundation. Funds 19000 and 20000 are under control of the City Council with the Foundation having an advisory role. These two funds were originally created to protect the corpus, but when the original mortgage loans were paid in full, by state law, the City Council gained control of both funds.

MOTION BY DIRECTOR JOHNSON, SECOND BY DIRECTOR HAMEL, TO COMBINE FUNDS 19000 AND 20000 UNDER FUND 19000, WITH CITY COUNCIL APPROVAL, IF NEEDED. MOTION PASSED UNANIMOUSLY.

Director Crandall inquired as to whether the funds are within the tolerances of the rules of 501c3. Mr. Knopik replied he would need to research. President Schulte stated it was researched about 5 years ago, and at that time, there was no concern with fund 19000 as it fell under City Council. Fund 82000 is under IRS rules and began funding the architectural consultations of the Home for Generations II program. Staff was directed to further research.

FINANCIAL REPORTS WERE ACCEPTED.

2. Election of Directors.

MOTION BY TREASURER KLINT, SECOND BY VICE PRESIDENT HOWE, TO RE-APPOINT SCOTT SCHULTE, AL HOFSTEDT, AND JERRY TEESON, TO A THREE-YEAR TERM EXPIRING DECEMBER 2021. MOTION PASSED UNANIMOUSLY.

3. Election of Officers.

Al Hoftstedt was nominated as Secretary. He accepted the nomination and was unanimously elected by verbal vote.

Denise Klint was nominated as Treasurer. She accepted the nomination and was unanimously elected by verbal vote.

Tim Howe was nominated as Vice President. He accepted the nomination and was unanimously elected by verbal vote.

Scott Schulte was nominated as President. He accepted the nomination and was unanimously elected by verbal vote.

4. Consider establishing allocations for Housing Loan Programs.

Item moved to end of Old Business.

5. Consider funding request from the Home for Generations II Program.

Ms. DeGrande reviewed the request. The HRA funded the architectural consultations in 2018. Discussion took place on reimbursing the HRA and increasing the funding so as to not run out of money for the consultations. Additional discussion took place regarding payment of individual consultations. Ms. DeGrande clarified that the Mortgage Assistance Foundation pays the first consultation, whether it is architect or landscape, and the HRA pays the second, if a second is utilized.

MOTION BY VICE PRESIDENT HOWE, SECOND BY TREASURER KLINT, TO ALLOCATE \$30,000 FROM FUND 82000 TO THE HOME FOR GENERATIONS II PROGRAM FOR PAYMENT OF ARCHITECTURAL OR LANDSCAPE CONSULTATIONS. MOTION PASSED UNANIMOUSLY.

Director Crandall left the meeting at 10 a.m.

6. Consider change of name and logo for the Mortgage Assistance Foundation.

Ms. DeGrande reviewed the logos.

MOTION BY PRESIDENT SCHULTE, SECOND BY DIRECTOR HAMEL, FOR A “DOING BUSINESS AS” NAME OF COON RAPIDS HOME IMPROVEMENT FOUNDATION AND CORRESPONDING LOGO.

The Directors all agreed the “Coon Rapids” portion of logo should be a bit bolder.

MOTION PASSED UNANIMOUSLY.

OLD BUSINESS

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7. Consider adopting Loan Program Guidelines.

Ms. DeGrande review the program guidelines, specifically combining the incentive and rehab programs and maintaining a deferred option; removing twin home program; removing ReGenerations program and replacing with a streamlined, traditional down payment assistance program; adding the Centerpoint on-bill program, and a curb appeal program.

President Schulte presented Director Crandall’s concern of the debt to income ratio and whether borrowers in that range have a higher foreclosure rate. Mr. Hasnik stated that once loans are closed, CEE no longer has access to the information as CRF does the servicing. He will assist Ms. DeGrande with the investigation. The Directors prefer to have the debt to ratio at 50 percent.

Mr. Hasnik reviewed the Centerpoint on-bill program which will roll-out in late spring. The program will help get higher efficiency appliances in homes. Centerpoint only allows one loan

at a time on a bill not to exceed \$10,000. The total of all city funds can't exceed \$50,000 per borrower. These are unsecured loans with a default rate of less than 2 percent. These loans must be paid in full when a resident moves. The loan term will be up to 5 years.

MOTION BY DIRECTOR HAMEL, SECOND BY DIRECTOR TEESON, TO APPROVE AND ADOPT THE LOAN PROGRAM GUIDELINES AS DISCUSSED, WITH THE EXCEPTION OF THE CURB APPEAL PROGRAM. MOTION PASSED UNANIMOUSLY.

Ms. DeGrande reviewed the concept and design of the exterior curb appeal program. She consulted with city staff, architects, staff from the City of West Des Moines, and staff from CEE.

Discussion took place regarding consideration of roof, windows, siding, and fences. It was agreed that, although not all of this type of work is visible from the street, the entire project would be eligible.

Discussion of landscape trimming and removal took place. These projects would need to meet the minimum project value and be in the front yard.

Discussion took place to start as a pilot program with possible limitations of homes on collector streets only, to a certain number of homes, to a certain program dollar limit, to a certain length of time.

Discussion took place on a crisis that may affect Coon Rapids such as emerald ash borer or an event similar to the 2017 hail storm. President Schulte stated the Executive Committee could call a meeting and halt the program.

MOTION BY DIRECTOR TEESON, SECOND BY VICE PRESIDENT HOWE, TO IMPLEMENT A PILOT PROGRAM FOR THE EXTERIOR CURB APPEAL PROGRAM AFTER DUE CONSIDERATION OF CONCERNS RAISED, SUBJECT TO EMAIL, WITH A CAP OF \$100,000. MOTION PASSED. TREASURER KLINT OPPOSED.

Ms. DeGrande stated she will circulate an email summarizing the curb appeal program guidelines.

Item #4 – Consider establishing allocation for Housing Loan Programs.

Ms. DeGrande reviewed the allocation made previously of \$800,000 that was not assigned to specific programs. Mr. Knopik reviewed the motion made earlier to combine funds 19000 and 20000, and although the funds are combined, the Board can still designate the money for specific programs or to be used as needed, and the Board would still direct the usage of the remaining funds. President Schulte stated the Board is not prepared to allocate specific dollars to programs as the programs have just been restructured.

MOTION BY TREASURER KLINT, SECOND BY DIRECTOR HAMEL, TO USE THE \$800,000 AS NEEDED FOR THE PROGRAMS. MOTION PASSED UNANIMOUSLY.

8. Set date and time for 2019 annual meeting.

The next annual meeting will be on Thursday, December 5, 2019.

Adjourn.

President Schulte declared the meeting adjourned at 11:25 a.m.

Respectfully submitted by,  
Cindy Hintze  
Administrative Support Supervisor

DRAFT



**Mortgage Assistance Foundation**

1.

**Meeting Date:** 05/02/2019

**SUBJECT:** Review Front Door Grant Program and consider additional funding

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**Information**

The Front Door Grant Program was launched in early March 2019 as a pilot program with an initial funding limit of \$100,000. The funds were exhausted at the end of April 2019. Nearly 300 applications were received and 37 homeowners received grant awards to make exterior improvements to their homes. The project costs for all 37 homes totaled more than \$570,000.

City staff is requesting the Board to discuss and consider the following items:

- Review the current program guidelines and modify, if necessary
- Discuss additional funding for the program
- Advise city staff on how to handle the unfunded applications

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**Attachments**

Program Guidelines

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## Exterior Curb Appeal Program

The intent of the Coon Rapids Exterior Curb Appeal Program is to provide assistance to property owners in the City of Coon Rapids who are considering making certain exterior improvements to the front (streetside) of their home, increasing curb appeal which benefits the entire community. Repair and/or replacement of items that experienced storm damage are not eligible for funding through this program.

This program will be available in 2019 as a pilot project and initially limited to a total project budget of \$100,000. Once this initial allocation is exhausted, the Coon Rapids Home Improvement Foundation will evaluate the success of the program, make any needed changes to the program's guidelines and determine the funding for the program going forward.

**Income Limit:** No income limit.

**Grant Amount:** Minimum of \$1,000. Maximum of \$5,000.

**Matching Grant:** Grants will equal either 15% or 25% of the applicant's total project cost depending upon the scope of work. If an applicant's project includes qualifying projects from both categories, then the grant amount will be determined individually in each category. For instance, if an applicant is planning to reside their home, install a new roof, install a new front door, and build a covered front porch, then the costs of the siding and roofing projects would qualify for a 15% grant and the costs for the front door and covered front porch would qualify for a 25% grant.

**Matching Grants/Eligible Projects:**

- 25% Grant – “Beautification”: altering the roofline from the front of the house, constructing columns at the front entrance, building a covered front porch, adding brick, stone, or shakes on the front of the house, replacing the front door, storm door and/or garage door, side lite windows added by the front door, landscaping (including tree trimming, removal and replacement of overgrown and/or dead items), stamped concrete, driveways, sidewalks, shutters, screening of utility boxes and/or garbage cans, fences.
- 15% Grant – “Basics”: roofs, siding, painting, soffit, fascia, trim, gutters, windows, chimney repair/tuck-pointing, repair and/or replacement of existing decks and porches, existing retaining walls. \*\* In order to receive funding through this category, homeowners must also include at least one improvement from the other “beautification” category.

**Total Project Cost:** The recipient must have sufficient funds necessary to cover the cost of the entire project as outlined in the bid(s). The recipient may apply for and receive financing from one of the City's loan programs in addition to receiving a matching grant through this program.

**Eligible Properties:** 1-4 unit owner-occupied properties located within the geographical boundaries of the City of Coon Rapids. Individual Townhomes, Twin-homes, and Condominiums are eligible if their bylaws stipulate that exterior improvements are the responsibility of the individual property owner. Properties held in a trust are eligible.

**Ineligible Properties:** Dwellings with more than four units, cooperatives, manufactured homes, properties in a Contract-for-Deed and properties used for commercial purposes. Non-homestead and relative homestead properties are also not eligible.

**Ownership/Occupancy:** Owner-occupied only.

**Eligible Recipients:** Must be current on their property taxes and not have a pending foreclosure filed against the property.

**Property Value Limit:** \$400,000 based on the Estimated Property Value from the most recent property tax statement.

**Multiple Loans/Grants per Property/Borrower:** More than one loan/grant per property/borrower is allowed, however, the outstanding balance(s) of any revolving loans through the Coon Rapids Home Improvement Loan Program cannot exceed \$25,000 and the total of all city funds cannot exceed \$50,000. The maximum amount in matching grant funds awarded to each property/borrower through the Exterior Curb Appeal Program cannot exceed \$5,000 total. Additionally, any improvement receiving a grant through this Exterior Curb Appeal program cannot be also considered for a grant through the Home for Generations II program.

**Landscape Architectural Consultations:** Landscape consultations will be subsidized and made available to program participants. These consultations are meant to provide landscape design advice and guidance to property owners who are considering including landscape elements into their scope of work. This will work just like the Home for Generations II consultations where the City/CRHIF will subsidize the consultations by \$225 and the property owner will be required to pay the landscape architect \$25 directly.

**Bids:** Only 1 bid is required. All contractors must be properly licensed and permits must be obtained when required.

**Sweat Equity / Homeowner Labor:** Work may be performed by property owners on a “sweat equity” basis. Total project cost for the part of the project being completed by the owner will be based solely on the cost of materials, not to rent tools/ equipment or compensate for labor.

**Post Installation Inspection:** Permits must be obtained and signed off by a City inspector when required. All completed projects will be inspected by the Housing Programs Coordinator before the disbursement of funds to ensure program guidelines have been met.

**Work Completion:** All work must be completed within 180 days of the participation agreement being signed. When warranted, the City may authorize exceptions/time extensions on a case by case basis.

## General Program Conditions

**Application Processing:** Grants will be awarded on a first come first serve basis as applicants qualify. **Applicants must provide a completed application package including the following items in order to be considered for funding. Once all items are submitted, then the homeowners will be required to come in to city hall to sign a participation agreement before work begins on their projects.**

- Completed and signed application form
- Contractor bids (or material lists from suppliers) for proposed projects
- Building permits obtained for proposed projects
- Permission for City staff to come out and take a photo of the exterior of the home
- Other miscellaneous documents loan officers may require

**Yard Signs:** Recipients must display a yard sign in their front yard promoting the program (provided by the City at the time of signing their participation agreement).

**Contractors/Permits:** Contractors must be properly licensed. Permits must be obtained when required by city ordinance.

**Program Costs:** All costs associated with administering this program will be funded through the Coon Rapids Home Improvement Foundation. Pilot project amount: \$100,000. The costs of the landscape architectural consultations that will be made available to participants will also be funded through this allocation.

**Disbursement Process:** Disbursement of grant funds will be made to the property owner upon completion of work. A final walk through inspection will be performed by a City representative/Housing Programs Coordinator to verify the completion of the work. The following items must be received prior to final disbursement of funds:

- Final invoice from contractor showing that they have been paid in full (or materials receipt from supplier)
- Final walk through inspection by a City representative/Housing Programs Coordinator
- Completion certificate signed by property owner
- Evidence of city permit and necessary inspections (if required)

**Annual Competition:** There will be an annual competition at the end of each calendar year, identifying those projects that stand out as having created the most curb appeal. Awards for 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> place could be additional grant dollars or gift cards to local home improvement supply stores. This competition would be a method in which to further promote curb appeal and this program in the community.