

Appendix K:
Existing Housing Loan Programs

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The Wayzata HRA provides for a variety of housing programs to assist citizens in maintaining and improving their homes. The HRA partners with the Center for Energy and Environment (CEE), a local non-profit organization, to administer the City's home improvement loan programs. The following is a brief summary of the three programs jointly administered between the HRA and CEE.

- 1) **Home Energy Loan:** This program offers loans up to \$10,000 for owner-occupied, single family residential structures built prior to 1989, for energy related improvements. The loans must be paid back within five (5) years, and no income restrictions apply.
- 2) **Wayzata Low Interest Loan:** This program offers four percent (4%) fixed-rate loans up to \$25,000 for pre-1970 owner-occupied, one to two unit residential structures. The funds may be used for interior and exterior work, including rehabilitation or maintenance. The income limit is \$89,000 per household and the loan must be paid back within fifteen (15) years.
- 3) **Three Percent (3%) Deferred Loan:** This program offers a three percent (3%) deferred loan for up to \$10,000 for eligible owner-occupied properties, including one to two unit residential structures. In order to determine project eligibility, CEE will conduct an inspection of the structure, and prioritize improvements. They will also assist in finding experienced contractors, compare and help applicants understand multiple estimates. Repayment of the loan is due upon sale or transfer of ownership of the property. The income limit is sixty percent (60%) of median income, approximately \$47,000 for a family of four.

Additional Housing Assistance Programs

- 1) **Homes within Reach:** (in coordination with the West Hennepin Affordable Housing Land Trust (WHAHLT)): WHAHLT is a non-profit corporation which provides permanent affordable housing home ownership opportunities for low- to moderate-income households in suburban Hennepin County. Based on a community land trust model, the Homes within Reach (HWR) program purchases single family properties, retains ownership of the land, and sells the homes on the land to qualifying families. The land is leased to homeowners through a 99-year renewable ground lease, and the HWR generally sells the homes to qualifying households on average for \$135,000 to \$160,000.¹
- 2) **Rental Assistance Program (Section 8):** The Section 8 Program is a federal housing program, funded through the U.S. Department of Housing and Urban Development (HUD), which assists in providing affordable housing for low-and moderate-income families. The purpose of the program is to provide families rent assistance by utilizing the existing housing stock.

¹ For more information on the Homes within Reach program, please see:
<http://www.homeswithinreach.org/>.