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September 17, 2015

Ald. Robert J. Bauman  
(414) 286-2221

## **Council committee recommends adding funds to bolster home repair program**

The Common Council's **Finance and Personnel Committee** Wednesday (September 16) recommended for approval a resolution appropriating \$250,000 in unused prior-year Department of City Development funds for the city's STRONG Homes Loan Program.

The resolution, sponsored by **Alderman Robert J. Bauman**, will go to the full Common Council on Tuesday, September 22. If approved, the measure would infuse the highly successful STRONG Homes Loan Program with \$250,000 in additional funding.

**The additional funds would allow the program to service all qualified applicants already in process with the program** as well as a few existing applications that were held due to the program's oversubscription.

The program was funded at the level of \$500,000 in the 2015 city executive budget as part of the In Rem Property Program of the Department of City Development's capital budget. A successful budget amendment offered by Alderman Bauman added an additional \$500,000 to the program, but the demand has been very strong and the program has exhausted the entire available funding as homeowners across the city have accessed it to make repairs to their homes.

"The program has been highly successful, and the demand for the loans remains strong," said Alderman Bauman. "I believe it's important to help owner-occupants make needed repairs – not only to preserve our housing stock, but also to help residents avoid code violation fines that could lead to foreclosures."

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## **Loan program funding/ADD ONE**

Through August, the STRONG Homes Loan program has approved more than \$1.1 million in loans for 88 homeowners to help them make essential repairs to their properties. Many of these loans have funded exterior rehabilitation work such as roof replacements, porch improvements, and siding repairs. Also, loans have assisted owners in making emergency repairs, addressing code violation orders, and remedying items identified by the owner's insurance as reason to cancel insurance policies. Technical assistance is provided as part of the program to help homeowners identify their needs, obtain contractors, and monitor the construction work.

The STRONG Homes Loan Program debuted in January, allowing owner-occupants to apply for loans of up to \$20,000 to pay for emergency repairs, essential rehabilitation and to correct code violation orders, with loan interest rates between zero and 3%. In addition to roof replacement, eligible projects include the replacement of failing porches and the repair or replacement of deteriorating siding or failing exterior paint.

Qualifying households must have an income at or below 120% of the area median (\$84,360 for a family of four). Twenty-five percent of the loan amount will be forgiven if the owner stays in the house for 10 years.