South End Exterior Renovation Program
Deferred Loan Program Guidelines

The Niagara Falls Community Development Department (NFCD), can help add value to local homes through a United States Department of Housing and Urban Development (HUD) funded exterior renovation. This neighborhood-based program, and its target area, was directly voted for by Niagara Falls residents as part of our participatory budget process.

Goal: To make impactful exterior renovations that will correct exterior deterioration of 1-4 unit properties, causing a positive visual improvement to the neighborhood.

- This program will finance 100% of the renovations up to $25,000 with no monthly payments as a deferred loan. If the home owner occupies the home as his/her principal residence for five years, 100% of the loan amount is forgiven. If the home is sold prior to the forgiveness dates, the owner must repay an applicable portion of the deferred loan.
- This program was made possible by citizen involvement through the NFCD Participatory Budgeting process. NFCD will release a call for applications on: May 1, 2019.
- SEERP assistance will be awarded on a first come first served basis. A minimum of 75% of the allotted funding will assist Owner Occupied housing.
- Upon completion of application and project feasibility, NFCD staff and the client will develop an agreed upon scope of work.
- NFCD staff will arrange for sealed bids from qualified housing rehabilitation contractors.
- The Funding available per project will be up to $25,000.00 per property.
- The South End Exterior Renovation Program is a 100% forgiven loan program.

Targeted Area

- 4th and 5th Street from Niagara Street to Walnut Avenue.
- 6th, 7th, and 8th Street from Niagara Street to Main Street.
  (See attached map)

Environmental Testing

- All Painted surfaces will be presumed to contain Lead Based Paint.
- NFCD licensed Lead Risk Assessor will perform a visual inspection and provide an Exterior Lead Clearance report upon completion of work that disturbs any painted surfaces.
**General Terms and Conditions**

1. For applicants that qualify for the South End Exterior Renovation Program, NFCD will provide an interest free loan for 100% of the eligible rehabilitation costs up to $25,000 per home.

2. Homeowners must retain Property title and live on the Property as prime occupant for not less than the first five (5) years following completion of the rehabilitation. If the Homeowners reside on the Property as prime occupant and the Property is retained for at least five years, the balance of the deferred grant will be forgiven. A prorated balance of 20% per year of the deferred grant is due and payable upon transfer of title to the property within years one through five or upon failure of Homeowners to reside at the Property as their personal residence for five years.

3. NFCD funding will be secured with a mortgage or property lien for the full amount of the NFCD deferred loan.

4. Such charges as, but not limited to: recording fees, title searches, appraisal reports, tax searches, property inspections incurred with or in connection with the making of the deferred loan shall be paid by the borrower and may be included in the deferred loan amount. Appraisals may be required when there is an outstanding mortgage, or other lien on property and equity is questionable.

5. Title to the property must be clear and marketable. A title examination may be requested to check for judgments and title exceptions.

6. Loan-To-Value-Ratio: The full amount of the principal on all debt secured by the property, which is senior to the deferred loan, cannot exceed one hundred & twenty-five percent (125%) of the after-rehab appraised value of the property.

7. Homeowners shall be required to present satisfactory evidence of required homeowner’s insurance coverage for the subject real property. The City of Niagara Falls must be named as payee in the event of loss and any failure to maintain such insurance shall be a default under the terms of the mortgage.

8. Homeowners are required to present satisfactory evidence that all property taxes are current and paid to date. Failure to pay future tax payments shall be a default under the terms of the mortgage.

**Eligible renovation types**

- Roof Replacement
- Roof repairs
- Siding Replacement
- Siding repair and painting
- Gutters
- Aluminum trim coverage
- Porch Repairs
- Sidewalk replacement (On Private Property)
Ineligible renovation types

- Interior work
- Garage or any other out building work

Denial of program assistance

In some instances a Homeowner may qualify for assistance under this program based on the composite profile of required verifications and still be denied assistance if the department determines that:

1. The scope of the work involved is beyond the allowable program limit and the Homeowner will not or cannot provide the necessary funds to complete the work and correct any of the listed exterior violations;
2. The rehabilitation work is considered to be substantial and beyond the feasible scope of normal rehabilitation;
3. The Property in question is for sale or has been on the market one year prior to application;
4. The Homeowner has entered into title transactions for the sole purpose of benefiting from the program (exceptions to this clause may be made on an individual basis, by the Director with concurrence from the Corporation Counsel).

NFCD retains the right to determine that a given structure does not merit investment in terms of cost of code repair, structure worthiness or other special conditions such as the proximity of incompatible land uses.

If a Homeowner is denied a deferred grant by NFCD the Homeowner must wait one (1) year from the date of denial before reapplying. The Homeowner must meet all program requirements at the time the Homeowner re-applies.

Program Note:

*These Program Guidelines may be changed or discontinued at the discretion of the Department of Community Development administration and staff.*

Placement on any Community Development information list, waiting list, or application list does not constitute acceptance into any program, nor does it guarantee assistance by this department.

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