



Legislation Text

File #: HRA M2019-006, **Version:** 1

DATE: February 26, 2019

TO: Members of the Housing & Redevelopment Authority

FROM: Janine Atchison, Housing Coordinator

2019 Street Assessment Assistance Program

SUMMARY AND ACTION REQUESTED:

The Housing & Redevelopment Authority (HRA) to approve the 2019 Street Assessment Assistance Program.

BACKGROUND:

The objective of the City of Northfield Street Assessment Assistance Program is to lessen the financial burden of street assessments for income eligible households in Northfield, Minnesota. Financial assistance up to \$3,000 may be provided to assist with required street assessment expenses for income-eligible homeowners. This assistance is in the form of a grant and will not need to be repaid to the City. This program is funded with tax levy dollars awarded to the HRA.

ELIGIBILITY

A. Household Income:

Gross Household income shall not exceed 80% of the Rice County median income level, adjusted for family size.

ALL PERSONS age 18 or older living in the home must submit their income information. Income includes wages, alimony/child support, social security, etc. Household income is based on GROSS income before taxes. Verification of income shall be valid for not longer than 90 days from its submittal date to the City of Northfield.

B. Homeowners Tenure:

The homeowner must utilize the assessed property as their primary residence. Properties that are owned but lived in by a third party will NOT be eligible for assistance. Verification of primary residence will be through County tax rolls and cross checking with the Northfield rental ordinance of licensed properties.

Homes that are currently for sale, have been for sale, or removed from the market since January 15, 2019 by the homeowner, or are currently in escrow are NOT eligible for this program.

Homeowners who are in default on their property taxes are NOT eligible for this program unless a Rice County approved payment plan is in place.

2019 Low Income Limits

# of Persons in Household	Income Limit
1	\$43,750
2	\$50,000

3	\$56,250
4	\$62,500
5	\$67,500
6	\$72,500
7	\$77,500
8	\$82,500

Amount of Funds:

The maximum assistance **shall not exceed \$3,000**. Assessment amounts to be awarded are based on the type of street project being completed and the assessment total for the individual property. The following terms apply:

- Full Reconstruction $\frac{1}{2}$ of assessment or \$3,000, whichever is less
- Street Reclamation $\frac{1}{2}$ of assessment or \$2,500, whichever is less
- Mill and Overlay $\frac{1}{2}$ of assessment or \$2,000, whichever is less
- Overlay $\frac{1}{2}$ of assessment or \$1,500, whichever is less

ANALYSIS:

The HRA began sponsoring a Street Assessment Assistance Program in 2012. Since that time, the HRA has awarded \$125,306 to 64 families whose incomes were at or below 80% of the area median income (AMI) to help cover the costs of street assessments. The average award has been \$1,972 per low-income family.

The 2019 street improvement will be a **reclamation project** involving 176 properties, 91% of which are residential. The HRA has budgeted \$30,000 for the 2019 Street Assessment Assistance Project.

OPTIONS:

According to preliminary assessment roll, the average assessment will be \$3867. Income qualified residential property owners will be eligible for an average award of \$1934, not to exceed \$2,500. The current budgeted allowance will be enough to assist 15 -16 families. The HRA may approve spending above \$30,000 if needed.

RECOMMENDATION:

Staff recommends the HRA approve the 2019 Street Assessment Assistance Program.