

Livingston Urban Renewal Agency

**Residential Rehabilitation Grant Program
Guidelines**

Approved

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1. BACKGROUND AND STATEMENT OF PURPOSE

The 2003 Livingston Urban Renewal Plan identified policies and goals of the Urban Renewal District to help alleviate certain conditions within the District. The identified goals were organized into several topic areas including: infrastructure; transportation; community amenities and public facilities; commercial development; residential development; and other lands.

Within the Residential Development area, the Urban Renewal Plan notes that “Where suitable, property owners should be encouraged to consider redevelopment of upper level residential spaces.” Such work is authorized by the Montana Code Annotated which grants the Agency the power to, among other actions, “prepare plans for carrying out a program of voluntary or compulsory repair or rehabilitation of buildings and improvements.”

Recognizing that the availability and affordability of housing are two issues inhibiting economic activity within the Urban Renewal District, a program to encourage the redevelopment of under-utilized residential spaces is appropriate.

2. PROGRAM DETAILS

The Residential Rehabilitation Grant Program is intended to provide a resource to encourage the rehabilitation or development of residential spaces within the Livingston Urban Renewal District. The following provides guidance on several aspects of the program:

A. ELIGIBLE PROJECTS

1. The Program is intended to encourage the development or redevelopment of unutilized residential spaces within the Urban Renewal District. Applicants must evidence a plan to bring residential units to the long-term (greater than 3 months) rental market. Funding preference shall be given to projects that contain affordability measures for residential units aligned with the then-current Department of Housing and Urban Development standards.

For the purposes of this program, a residential unit is defined as being designed and used primarily as a dwelling or living accommodation for one or more individuals. Further, each unit shall have city utility service as well as a place to shower and wash dishes.

2. Awarded grant funds may be used for improvements including, but not limited to: Access; Development Impact Fees; Down payments for loans; Interior Improvements; Heating and Air Conditioning Systems; Life-safety Systems; Structural Improvements; and Utility Connection Costs.
3. Applications may be submitted by building owners or other parties with a real property interest (ownership or leasehold) in a property within the Urban Renewal District. Non-owners shall have contractual care and control of the subject property for a period not less than 10 years from certificate of occupancy associated with the work completed.

4. Projects must have been issued a building permit not more than thirty (30) days prior to the date of application. Projects that have not been issued a building permit are eligible to apply.

B. PROJECT FUNDING

In the event a project is approved for funding, the URA will reimburse the participant up to 50% of the total project costs with a maximum grant amount of \$250,000 per unit. The URA reimbursement will be based on actual costs incurred for the project. Reimbursement shall be made after completion of project work and may occur over several years subject to agreement of the parties.

C. APPLICATION PROCESS

1. Applications for funding shall include:
 - a. Description of property, including address with location in Urban Renewal District.
 - b. Description of project goals including number of residential units restored and returned to the long-term rental market. Anticipated rent type should be included in the project application (e.g. Market Rate, Level of Affordability).
 - c. Unexpired construction bids or product quotes for all work included in the project.
2. The Urban Renewal Agency Board shall review all applications from eligible projects using the established criteria.
3. All applicants awarded funding pursuant to the program shall enter into an owner participation agreement prior to commencing work and receiving reimbursement.

D. PROJECT IMPLEMENTATION

1. Owner-Participation Agreements
 - a. All applicants awarded funding pursuant to the program shall enter into an Owner Participation Agreement prior to commencing work and receiving reimbursement.
 - b. At a minimum, Owner Participation Agreements shall contain: the maximum reimbursement amount; requirements for level and duration of affordability of rental units.
 - c. The URA may require a residential unit management plan for those properties that are not already managing residential units on-site.
2. Project Timelines
 - a. All projects shall commence within one hundred and eighty (180) days of award.
 - b. All projects shall be complete within three hundred sixty-five (365) days of commencement.
 - c. Reimbursement of costs shall occur after project completion and may occur over several years as agreed upon by the URA and Applicant.
3. Access to Site and Records
 - a. The Urban Renewal Agency shall have the right to access the project location, observe the progress of work and review residential units with not more than five (5) days advance notice.
 - b. Access to all project records shall be provided to the Urban Renewal Agency upon request and not more than five (5) days after written request. Project records include those related to the construction cost and timeline and, after construction, both the term and affordability of rental units

3. SUPPORTING DOCUMENTS

The Following forms and documents are to be used in the Residential Rehabilitation Grant Program. Such forms and documents may be updated from time to time and the Urban Renewal Agency should be consulted to ensure that the appropriate forms are being used.

A. APPLICATION FORM

Date: _____

Name of Applicant: _____

Email and Phone: _____

Project Location: _____

Anticipated Project Start: _____

Anticipated Project Completion: _____

Project Description (include work to be performed, # of units brought to market, project cost):

Attach

1. Construction bids and/or product quotes.
2. Proof of Real Property Interest (Ownership or Leasehold Interest).

I affirm that all information contained in the foregoing application to the Livingston Urban Renewal Agency's Residential Rehabilitation Grant Program is true and correct.

Printed Name of Applicant

Signature of Authorized Agent

B. PROJECT EVALUATION CRITERIA

The following criteria shall be used in the evaluation of applications to the Residential Rehabilitation Grant Program.

Criteria	Rating or Compliance
<p>Project Location <i>Projects must be located in Urban Renewal District.</i></p>	
<p>Applicant Property Interest <i>Applicants must own or have a property interest in the subject property through either ownership or a lease.</i></p>	
<p>Residential Units Brought to Market <i>List Number and Type of Residential Units. <u>Include Affordability Measures proposed.</u></i></p>	
<p>Type of Improvements <i>Eligible Improvements include: Access; Development Impact Fees; Interior Improvements; Heating and Air Conditioning Systems; Life-safety Systems; Structural Improvements; and Utility Connection Costs.</i></p>	
<p>Reimbursement Amount and Percentage <i>The URA will reimburse the participant up to 50% of the total project costs up to \$250,000s per unit.</i></p>	
<p>Project Commencement <i>All projects shall commence within one-hundred eight (180) days of award.</i></p>	
<p>Project Completion <i>All projects shall be complete within three hundred sixty-five (365) days of commencement.</i></p>	

C. OWNER PARTICIPATION AGREEMENT

A sample Owner Participation Agreement is attached. Each project awarded funding from the Residential Rehabilitation Grant Program shall be subject to such an agreement.