

Sturgeon Lake
Small Cities Development Program 2021-2023
Owner Occupied Housing Rehabilitation Fact Sheet

The City of Sturgeon Lake is applying grant funds for homeowners interested in improving their homes from the Minnesota Department of Employment and Economic Development’s (DEED’s) Small Cities Development Program (SCDP) which is funded by the United States Department of Housing & Urban Development (HUD).

- This assistance to homeowners is in the form of a 0% interest, 10-year loan. Homeowners will be asked to match 10% of the total cost of improvements, but this is dependent on income level. Homeowners unable to match the grant funds will not be turned away.
- The maximum grant available is \$25,000 per property.
- The loan is repaid to the City if the property is sold; title is transferred or conveyed within 10 years of the loan closing. The obligation to repay is reduced by one-tenth of the original loan amount after each of the years. If after 10 years the property is still owned by the borrower, the loan is forgiven and considered a grant.

To qualify:

- Home must be in the City of Sturgeon Lake and be homesteaded (must be the applicant’s primary residence).
- Applicant must own the house, either free of debt, through a mortgage or recorded Contract for Deed. Taxes must be current, and proof of homeowner’s insurance is required to be approved.
 - **If you are buying the property on a Contract for Deed, the holder of the contract must sign off on the loan, so you should contact the holder prior to your application. **
- Your household gross (before taxes) annual income (including Social Security, wages, and all regular sources) must be within the following limits:

Family Size	1 person	2 persons	3 persons	4 persons	5 persons	6 persons	7 persons	8 persons
Income	\$40,700	\$46,500	\$52,300	\$58,100	\$62,750	\$67,400	\$72,050	\$76,700

Repairs that make the property more livable, energy efficient, safe, and accessible for handicapped occupants, qualify under this program. These may include replacing or repairing:

- Defective plumbing, heating, or electrical systems.
- Roofing, windows, doors, and wall repairs
- Ramps and bathroom accessibility conversions.

After an application has been submitted by a property owner and is approved by Lakes & Pines, the home will have an inspection conducted to determine what repairs are needed and qualify under this program. **Remodeling is not allowed.** If the home was built prior to 1978, a lead risk assessment will be conducted, and any lead-based paint hazards will be addressed through this program. Once the scope of work is determined, the owner will seek bids from contractors of their choice. **Work that is started or completed without approval from Lakes & Pines will not be paid for with program funds.**

If you are interested in applying or have questions, call, or write:

Lakes & Pines Community Action Council, Inc.
 1700 Maple Ave E, Mora, MN 55051 320-679-1800 or 1-800-832-6082
www.lakesandpines.org