



CITY OF BERKELEY DOLLAR HOME PROGRAM

APPLICATION PACKET



CITY OF BERKELEY

ECONOMIC DEVELOPMENT OFFICE

8425 Airport Road, Berkeley, MO 63134

314-524-3313 (phone), 314-264-2071 (fax)

City of Berkeley Dollar Home Program

Purpose:

The Dollar Home Program is established to allow the City to purchase sub-standard housing units and offer them for sale in the City at a depressed market price. The purpose of this program is to rehabilitate sub-standard housing units which are having an adverse impact upon our residential neighborhoods and to re-sell the units to owner-occupants providing an increase in new affordable housing stock that will address the housing and neighborhood stabilization recommendation of the comprehensive plan.

The City of Berkeley Dollar Home Program will positively impact the community by enabling the City to repurpose and utilize its land assets to progressively build a resilient and sustainable community through home ownership. In order to increase home ownership, facilitate family self-sufficiency through asset building and establish permanency and pride within the City, it is necessary to stabilize neighborhoods through the rehabilitation of single family houses and to develop infill lots with newly constructed homes. The City will have increased affordable housing stock through the improvement of residential structures or the construction of new homes on vacant lots.

Program:

The Dollar Home Program will be implemented by the City of Berkeley as a local housing program offered through the Economic Development Office. The City of Berkeley will maintain a catalogue of properties located in residential zoned districts of the City that are eligible for the program. All buildings must be single family properties or vacant infill lots located in R-1, R-2, and R-3 Single Family Residential Districts.

Eligibility:

The program will be available under the following guidelines:

- All properties are to be offered in “As Is” condition.
- No properties or lots will be sold through this program for the purpose of rental in order to comply with the City of Berkeley’s *Ordinance 4320* limiting the number of rental houses in neighborhoods to 30 percent per block.
- Only reputable non-profit organizations that successfully engage in the development of single family residences for the purpose of providing access to home ownership will be allowed to resell a Dollar Home Program property.
- Home Owner Occupation is required for a minimum of five years under agreement with the City to only sell the property following the five year minimum to another home owner occupant and not to any individual or organization that would rent or lease the property.
- Present verifiable proof of funding guarantee (financing) that will cover the cost of the home purchase, renovations and repairs that will bring the home to required livable standards established by the City’s housing maintenance code.
- Property must be free of liens with the City of Berkeley.
- Applicants or organizations must not have any outstanding liens with St. Louis County.
- Must show the capability of occupying the property within eighteen (18) months of purchase.
 - Bids from contractors stating project completion date

Program Application Process:

A completed application packet must be submitted to the Economic Development Office for review and recommendation to City Council. This portion of the process can take up to 30 days to complete. The application packet must be complete to be eligible for review. (SEE EXHIBIT A)

- The prospective buyer will inspect the property and prepare a project plan and budget.
- Buyers will be required to use licensed service providers to install electrical, plumbing, and HVAC systems, if work on those systems is required.
- All plans for renovation and construction must be reviewed and approved by the City of Berkeley Public Works Director or designee. This process may require the applicant to undergo exterior appearance review and site inspection by a Berkeley Inspector before the application is presented to the City Council.
- Applications to purchase property under the Dollar Home Program will be reviewed by staff to determine eligibility.
- Staff will provide a recommendation to the City Council for consideration of referral to the Economic Development Commission. Upon referral to the Economic Development Commission for review and approval, applications will be sent to City Council for final approval and ordinance issuance. Applicants must appear in person at the time of City Council's and Economic Development Commission's review of the application.
- Upon application review, the Economic Development Commission and City Council reserve the right to add and/or amend requirements for the approval of applications.

Prior to Closing

Upon approval of the Dollar Home Program application, buyers must obtain Title Insurance. Title Insurance ensures that there are no prior liens or judgments against the property.

Buyer must attend Homeowners Counseling and provide proof of participation. The Economic Development Coordinator will be able to provide references for access to counseling services if needed.

Buyer will submit all revised/updated renovation or construction plans and budget to the Building Commissioner's Office for approval.

Closing

At closing (transfer of title) buyer will sign a Quit Claim Deed to the City of Berkeley, which will be held until an occupancy permit is issued and the five year residency requirement has been met.

Buyer will sign the Affidavit for the Purchase of Real Estate and notarize.

CITY OF BERKELEY
Dollar Home Program Application

REQUIRED SUBMITTALS WITH APPLICATION:

1. Current digital photos of the home or vacant lot to be purchased
2. A schematic drawing with significant detail to depict the proposed improvements to the property
3. Signed vendor bid(s) with detailed costs for each proposed improvement and timeline for completion
4. Valid letter of credit OR preapproval letter from financing institution
5. Valid Identification (Drivers License, Sate ID, Military ID)
6. Most recent tax return
7. Most recent W-2 form
8. Four most recent pay stubs, or 4 months proof of income and source
9. Two months of most recent checking and/or savings account statement
10. Credit Statement (Individual or Company)
11. Project Planning Sheet

PROSPECTIVE OWNER INFORMATION

Name: _____

Home Address: _____

Employer/Business Name: _____

Business Address: _____

Business Phone: _____ Fax Number: _____

Home Phone: _____ Email Address: _____

If tenant, what is the expiration date of your current lease? _____

Property Owner Address: _____

Property Owner Phone: _____

Property Owner Fax: _____

Property Owner E-mail: _____

If property owner, how many years: _____

DESCRIPTION OF PROPERTY

FINANCING: Indicate the means by which you propose to pay for the acquisition and rehabilitation of this property i.e., (personal loan, bank loan, other-please explain):

ADDITIONAL INFORMATION: Give any additional information that you feel may be helpful to assist City Council in conducting their review and evaluation of the offer to purchase real estate from the City of Berkeley through the Dollar Home Program.

APPLICATION CERTIFICATION

I, the undersigned, certify that I have read the program description and requirements for the City of Berkeley Dollar Home Program. I certify that all information provided herein is true and accurate to the best of my knowledge. I understand that the improvements described in this application must receive all required permit approvals from the City of Berkeley prior to the commencement of renovation and construction.

Furthermore, I, the undersigned, my successors and assigns, hereby agree to save and hold harmless the City of Berkeley and any of its employees, officers and directors from all cost, injury and damage to any person or property whatsoever, any of which is caused by an activity, condition or event arising out of the performance, preparation for performance or nonperformance of any project improvement included in the acquisition, renovation and occupancy of property associated with the Dollar Home Program. The above cost, injury, damage or other injury or damage incurred by or to any of the above shall include, in the event of an action, court costs, expenses of litigation and reasonable attorneys' fees.

Applicant Name (PRINT)

Applicant Signature

Date

*****Office Use Only*****

Application is: _____ Approved

_____ Denied

Finance Director

Date

Economic Development Coordinator

Date

ORGANIZATION'S AFFIDAVIT FOR PURCHASE OF REAL ESTATE

STATE OF MISSOURI)
) SS
COUNTY OF SAINT LOUIS)

TO: The City of Berkeley

The undersigned, _____ (Name) being duly sworn, deposes and says that this Organization/Agent will be the Owner of the property located at _____ (the "Premises") and has applied to purchase property from the City of Berkeley through the Dollar Home Program for the purpose of sale to an Owner Occupant.

The total amount of the property purchase is \$ _____ toward which we, as Organization/Agent, will as of this date pay \$ _____. We hereby attest that funds have been secured to also pay for the cost of complete renovation/construction (circle one) toward the goal of occupancy within 18 months at a standard that meets the City of Berkeley's municipal code requirements.

The attached proof of funds is true, correct, and genuine, and delivered unconditionally. The work plans set forth with said proof of payment will be completed to the conclusion of all contracts for renovation or construction work at the Premises.

Upon payment of \$ _____ to the City of Berkeley, there shall be nothing due or to become due from the City of Berkeley in connection with the purchase of this property. However, the new owner agrees to maintain and keep the property in accordance with all City of Berkeley municipal code requirements in order to maintain the health, safety, and general welfare of the neighborhood and community of residence.

I, as Owner Occupant agree to occupy this residence at _____ (the "Premises") for a minimum of five (5) years and do agree to only sell or transfer this property to an owner occupant after the completion of said duration and close of deed transfer. I agree to notify the City of Berkeley prior to the advertising and close of any transaction of sale or transfer of this property.

Date: _____

Signature: _____

SUBSCRIBED AND SWORN to
before me this day of, ____ 20__.

Notary Public