

AN ORDINANCE ADOPTING NEW FAIRLAWN CITY CODE SECTION 291.02 TO BE KNOWN AS THE RESIDENTIAL HOUSING REHABILITATION FINANCIAL ASSISTANCE PROGRAM

WHEREAS, the City of Fairlawn’s housing stock contains many single family residences; and

WHEREAS, a number of these residences are in need of repair; and

WHEREAS, many of these residences are owned and occupied by low income persons and families; and

WHEREAS, the Council of the City of Fairlawn determines it is in the interest of the general welfare of the City to provide financial assistance loans to low income persons and families to help eliminate and/or forestall suburban blight.

NOW THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY OF FAIRLAWN, OHIO THAT:

Section 1: There is hereby created Fairlawn City Code Section 291.02 known as the Residential Housing Rehabilitation Financial Assistance Program.

Section 2: Rehabilitation assistance may be provided to low income persons living in single family residences in the City of Fairlawn through the program known as the Residential Housing Rehabilitation Financial Assistance Program administered as the Residential Housing Assistance Board.

Section 3: The Residential Housing Assistance Board shall review and approve or disapprove applications for financial assistance.

Section 4: The decision of the Residential Housing Assistance Board shall be final and the resident applicant shall have the right to appeal said decision by the method provided by the Ohio Revised Code for the appeal of an administrative decision.

Section 5: The Residential Housing Assistance Board shall establish bi-annual deadlines for submitting an application for funds appropriated for this purpose by the Council of the City of Fairlawn and, upon the approval of the Residential Housing Assistance Board, the Finance Director is authorized and directed to make payment for said financial assistance from the funds so appropriated.

Section 6: A. Applicant shall be an individual owner and/or joint owners, occupying a single family residence located in a residentially zoned district in the City of Fairlawn for a minimum of three (3) years prior to the application for assistance.

1. If the single family residence is owned jointly, one of the owners must be an occupant and must meet the residency and ownership requirements stated herein.

B. Application forms shall be developed and implemented by the Residential Housing

Assistance Board and may be modified from time to time as approved by the Board.

1. All owners of the property must be listed on the application and must sign the application thereby verifying the accuracy of the information contained therein and further consenting to be bound by all Federal, State and local laws as well as all Rules and Regulations promulgated by the Residential Housing Assistance Board.
- C. The Residential Housing Assistance Board shall satisfy itself that there is sufficient unencumbered equity in the subject real property to cover the anticipated loan requested under this program.
- D. Low interest loans or deferred no interest loans, a minimum of which shall be One Thousand Dollars (\$1,000.00) and a maximum of which shall not exceed Ten Thousand Dollars (\$10,000.00), shall be available in accordance with Section 6 and Section 7 herein for repair or replacement of the following items:
 1. Roofs
 2. Exterior painting
 3. Gutters
 4. Exterior siding
 5. Windows
 6. Sidewalk
 7. Driveway
 8. Garage door
 9. Structural integrity
- E. Priority shall be given to applicants who have received a notice to comply from the Zoning, Housing and Residential Building Commissioner.
- F. All permit and inspection fees must be paid by the applicant.

Section 7: Criteria for the Zero Percent (0%) Deferred Loan shall be:

- A. The owner-occupant must be 65 years of age or older or be totally and permanently disabled. The owner-occupant must have owned and occupied the residence for a minimum of three (3) years prior to the application and the residence must be located in a City of Fairlawn residentially zoned district.
- B. All utilities, property insurance, property taxes, and City of Fairlawn income tax must be current and remain current throughout the loan period.
- C. The total annual household income shall not exceed the eligibility limitations set forth herein.
- D. A loan not to exceed Ten Thousand Dollars (\$10,000.00) shall be secured by a promissory note and a mortgage deed on the real estate both of which shall be executed by all the owners and recorded with the Summit County Fiscal Office (SCFO). No monthly payment or interest shall be charged on this loan.
- E. The full amount of the loan shall become due and payable upon the sale or any other transfer of an interest in whole or in part in the real estate, death of the owner-occupant, or the real estate is no longer used as the owner-occupant's principal residence.

Section 8: Criteria for the Low Interest Loan shall be:

- A. The owner-occupant must have owned and occupied the residence for a minimum of three (3) years prior to the application and the residence must be located in a City of Fairlawn residentially zoned district.

- B. All utilities, property insurance, property taxes, and Fairlawn income tax must be current and remain current throughout the loan period.
- C. The total annual household income shall not exceed the eligibility limitations set forth herein.
- D. A loan not to exceed Ten Thousand Dollars (\$10,000.00) shall be secured by a promissory note and a mortgage deed on the real estate, both of which shall be executed by all the owners, and recorded with the Summit County Fiscal Office (SCFO). The maximum time period of this loan shall be fifteen (15) years with a fixed interest rate not to exceed five percent (5%).
- E. The remaining balance of the loan including interest shall become due and payable upon the sale or any other transfer of an interest in whole or in part in said real estate, death of the owner-occupant, or the real estate is no longer used as the owner-occupant's principal residence.

- Section 9:**
- A. The annual income eligibility limitations for the City of Fairlawn's loan program shall be based upon the adjusted gross income of the owner occupant as reported on the owner occupant's income tax return filed in the year the application for assistance is received by the City.
 - B. The annual income eligibility listed below shall be in effect for 2009 and shall be adjusted at the rate of one (1) percent for each year thereafter.

Family Size	Annual Household Income
1	\$21,600
2	\$24,700
3	\$27,750
4	\$30,850
5	\$33,300
6	\$35,800
7	\$38,250
8	\$40,700

- C. Applicant shall provide the Residential Housing Assistance Board the following:
 - 1. Copies of federal, state and local income tax returns for the immediate prior three calendar years from the date of the application; and,
 - 2. Copies of all bank, credit union, brokerage statements and any other financial institutional statements in which applicant has an interest for the six (6) month period immediately preceding the date of the application; and,
 - 3. Written description of the project for which the application is being made and copies of all estimates and/or proposals for the same; and,
 - 4. Any other documentation and information deemed appropriate by the Residential Housing Assistance Board.

- Section 10:**
- A. Each loan requires:
 - 1. Inspection by the City of Fairlawn Zoning, Housing and Residential Building Commissioner at the time an application is submitted and periodically throughout the construction period.
 - 2. Owner shall obtain more than one bid for each project and bids from an immediate family member are not acceptable.
 - 3. The City may provide technical assistance in selecting a contractor.

4. Distribution of funds jointly to the owner and contractor providing the work.

Section 11: A. Limitations of the Loan

1. The Loans approved by the Residential Housing Assistance Board shall be limited to the lowest bid submitted by the applicant but shall not be greater than Ten Thousand Dollars (\$10,000.00).
2. All owners of the property shall indemnify the City of Fairlawn, its public officials and employees from any loss, cost, damage, expense or liability arising out of or in connection with their duties with the City or the contractor's respective performance in this matter.

Section 12: That it is found and determined that all formal actions of this Council concerning and relating to the passage of this ordinance were adopted in an open meeting of the Council and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public in compliance with all requirements, including Section 121.22 of the Ohio Revised Code.

Section 13: This Ordinance shall be in full force and effect from and after its adoption and approval by the Mayor or at the earliest period allowed by law.

Enacted: February 23, 2009

Tonja K. Caldwell
Tonja K. Caldwell, Clerk of Council

James A. Butler
James A. Butler, President of Council

Approved: February 23, 2009

William J. Roth, Jr.
Mayor William J. Roth, Jr., Mayor

Approved as to Form:

Edward J. Riegler
Edward J. Riegler, Director of Law

Certification of Passage

I, Tonja K. Caldwell, Clerk of Council of the City of Fairlawn, Summit County, Ohio, do hereby certify that the foregoing Ordinance 2009-008A was duly and regularly passed at a Regular Meeting on February 23, 2009.

Tonja K. Caldwell
Tonja K. Caldwell, Clerk of Council

Certification of Posting

This is to certify that on February 25, 2009 the within Ordinance was published by posting a true copy of the same in five public places within the City as prescribed in Section 222.03(a), Codified Ordinances of Fairlawn.

Tonja K. Caldwell
Tonja K. Caldwell, Clerk of Council