

2014 Preston Housing Incentive

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Preston, MN Economic Development

www.prestonmn.org 507-765-2153

#1 New Construction -

Residential, City of Preston

Waive Building Permit Fees: per structure	Value: Up to \$60.00*
Waive Utility Hook-Up Fees: per unit	Value: Up to \$675.00*
City Utility Credit (\$75.00 per month for 5 Months): per unit	Value: \$375.00**
Free Family Pool Pass	Value: \$95.00
Preston Public Utility Energy Rebates	Value: Up to \$500.00 *
\$1,000 Preston \$'s When construction is complete: per unit	Value: \$1,000.00**
Free 1 year family golf membership at Preston GC	Value: Up to \$550.00**
Two Free City Trees (Tree City Program)	Value: Up to \$200.00*

(Trees per unit unless multi-housing, then one per unit.)

Total Value: Up to \$3,285.00 Limited to 3 applications.

*Program is available to Spec home builders

** Program is available to Spec builders. However these funds are only reserved for the property buyer for 1 year from EDA approval. The golf membership, Preston bucks and city Utility Credits are not intended for the spec builders use but rather the buyer of the property.

#2 Purchase Existing

Residential, New Residents to Preston

City Utility Credit (\$50 per month for 5 Months)	Value: \$250.00
\$300.00 Preston Bucks	Value: \$300.00
City Utilities Energy Audit Rebate	Value Up to \$75.00
Free Family Pool Pass	Value: \$95.00
Free Family Golf Membership (Preston GC)	Value: \$550.00
Two Free City Trees for the property	Value: Up to \$200.00
Preston Public Utility Energy Rebates	Value: Up to \$500.00

Total Value: Up to \$1,890.00 Limited to 3 applications

#3 Housing Improvements (not including Decks or shingling:

Minimum Investment \$5,000)

Waive Building Permit Fees up to:	Value: \$30.00
City Utilities Energy Audit Rebate	Value: \$75.00
Preston Public Utilities Energy Credit	Value: Up to \$500.00
City Utility Rebate (\$45.00 per month for 5 months)	Value: \$225.00
\$300.00 Preston Bucks	Value: \$300.00
Two Free City Trees for the property	Value: Up to \$200.00

Total Value: Up to \$1,330.00 Limited to 3 applications

Applications found on page 5 of this PDF document

Preston Housing Incentive Program
CITY OF PRESTON, MINNESOTA
ECONOMIC DEVELOPMENT AUTHORITY

PURPOSE:

The purpose of this program is to act as a catalyst for the purchase of new or existing single- family homes and the remodeling of existing homes within the corporate city limits of Preston. The Economic Development Authority is committed to satisfying the housing needs of Preston. The Preston EDA realizes that adequate housing is a necessary tool to help foster a successful and growing community.

ELIGIBLE APPLICANTS:

Eligible applicants include any individual or family who is either 1) is a first-time residential homeowner to the City of Preston, and purchases an existing home as their primary residence or 2) rehabilitates a home in the corporate city limit of Preston as their primary residence or 3) builds a “new” home within the corporate limits of Preston for the purposes of making it their primary residence. (NEW CONSTRUCTION HOMEOWNERS and REHABILITATION HOMEOWNERS CAN BE AN EXISTING RESIDENT WITHIN THE CITY LIMITS). For the purposes of this program, “new home” means any single family dwelling, including townhomes, (not including “mobile” homes) built after the date of adoption of this program. “Spec” homes which have not yet been lived in or homesteaded may be included as an eligible site in this program.

PROGRAM DESCRIPTION

Interested parties shall obtain an application form from City Hall, 210 Fillmore Street West, Preston, MN 55965 or on line at www.prestonmn.org. Complete the application and return it to the same address.

All applicants shall have control of the subject property (i.e. a signed purchase agreement or deed) prior to submitting an application. (Applications will not be accepted after closing for existing homes or after the start of the rehabilitation.)

Three (3) applications will be available in 2014 for New Construction, ***Three*** (3) applications are available in 2014 for New Residents Purchasing an existing home in Preston, ***and Three*** (3) applications are available for rehabilitation. All programs expired 12-31-14.

All applicants: You will receive a voucher for up to 2 trees of your choice from an ala carte list within 1 to 3 months of the date of your closing and or zoning permit.

1. The Preston EDA reserves the right to reject any and all applications ***for any reason, specified or unspecified.***
2. In the case of the declaration of a natural disaster within the City of Preston, the Housing Incentive will not apply.
3. Monthly Utility Credits will be credited to the applicant’s accounts the first 5 consecutive months after closing or upon project completion has been verified with the Economic Development Authorities office.

4. Preston dollars are to be distributed by City Hall thru the EDA office after the closing or rehab has been finalized for the subject property and verified by the Economic Development office. The EDA Director will schedule a time review the HUD statement and distribute the Preston Bucks to the Homeowner.
5. Preston Bucks are to be picked up at City Hall after the closing or rehabilitation has been finalized and closing documents have been verified by the EDA office.
6. Closing document required to disperse funds.
 - Documents Include:
A Recorded Warranty Deed for the EDA review. (See additional rehabilitation requirements)
7. All applicants requesting additional energy rebates are to follow PPU rebate guidelines.

Current or New Resident applying for – Housing Rehabilitation Requirements include:

- Submit paid bills from the contractor.
- Before and after photos of project(s).
- Minimum Investment to qualify is \$5,000 within 12 months.
- If you complete the work yourself, those labor hours cannot be billed into the project.
- Personal tangible property does not qualify. However, remodeling can include one, (1) energy saving appliance during the remodeling project.
- Generally, permit fees, when applicable will be waived by the City, as opposed to a rebate.
- Qualifying investment is per property tax id, if more than one property is owned.
- If an energy audit is part of your project, please check the box on the application. The audit is to be paid for by the Homeowner and the Preston Public Utilities will rebate the licensed auditor in amount not to exceed \$75.00.
- To qualify for the energy efficiency rebate, it is recommended that you have an energy audit.
- Projects within the same 12 twelve month period can be combined and may overlap calendar years.
- Once an incentive is paid, those project costs cannot be added to future project costs for additional incentives.
- If you are utilizing the Small Cities Residential Rehab Program, you may not qualify for this incentive, please send a detailed explanation of the project into the EDA with your application.
- Multi-family dwelling incentives for new construction only are awarded per unit, permits per structure, and no mobile homes to be considered for any of the housing incentives.
- Permit and utility hook- up fees for the developers will be waiver as opposed to a rebate.

For New Construction:

All applicants will need for new construction, or rehabilitation when required, to apply for a building permit from the city and construction must be completed in compliance with local zoning and or the State Building Code.

Applications for newly constructed homes must specify the estimated cost of construction.

Multi-family dwelling incentives are awarded per unit, permits per structure for new construction. Mobile homes are not meant to be considered for any of the housing incentives.

Once the house is completed, the transaction has been closed, and it has been verified that the applicant has indeed made the new home his or her primary residence, the Preston Economic Development Authority shall issue the incentive to the homeowner. Applicants will be responsible to provide the Preston EDA with a copy of closing documents to show proof of ownership by supply the WARRANTY DEED for the EDA director's review and verification.

5. You will receive a voucher for up to 2 trees of your choice from an ala carte list within 1 to 3 months of the closing and or zoning permit.
6. In the case of the declaration of a natural disaster within the City of Preston, the Housing Incentive will not apply.
7. In the event that the new construction is a spec home the intended distribution of the City Utility Credits per month, the golf membership and the Preston bucks is for the purchaser of the new construction and not intended to be given to the builder. All other new construction incentives are available to spec builders.

DEFAULT

If an applicant should default on any of the following restrictions, all incentive money received shall immediately be returned to the Preston EDA unless otherwise approved by the Preston EDA.

1. Failure to reside in the new home as a primary residence for a period of at least thirty-six (36) months.
2. Constructing a home that was not properly represented in the application package.
3. Using an unlicensed contractor for the construction of the new home.
4. Attempting to sell the new home before residing in the home as a primary residence for a period of at least thirty-six (36) months.
5. Failure to start construction or rehabilitation within 6 months voids the recipient's application and approval. Program and incentives expire 12-31-14, all rebate and incentive start dates must be activated by 12-31-14.

APPEAL

If an applicant should default on any of the aforementioned restrictions, all incentive money shall immediately be paid back to the Preston EDA. However, an applicant may appeal to the Preston EDA.

PROGRAM INCENTIVE

Applicants/buyers of new construction shall receive \$1,000 in Preston bucks for new construction and \$300.00 in Preston bucks for the purchase of an existing home or qualifying housing improvement application in Preston as an incentive for buying, building or rehabilitation a home in the City of Preston.

PROGRAM BUDGET

The Preston EDA will set aside \$4,800.00 towards the financial incentive package for the entire 2014 housing incentive project. There will be a maximum of 9 home incentives, within the guidelines of its operating budget.

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I am applying for :(check below)

New Construction ___ Existing Home Purchase ___ Rehabilitation of a Preston Home ___

Applicant Name: _____ Date application received: _____

Current or Previous Address: _____

Current Phone #: _____ Cell phone # _____

Address of New Home: _____

Estimated Closing Date _____ Tax Parcel ID #: _____

Short Legal Description: _____

Type of Home (Check One):

_____ Existing Home _____ Newly Constructed Home

_____ Traditional "Stick-Built" _____ Modular

_____ Manufactured/Permanent Foundation _____ Other (Specify) _____

_____ I am a new resident to the City of Preston.

_____ I am moving up from rental housing to homeownership and this is my first home in Preston.

Property will be titled in the name(s) of: _____

I will be residing at this address circle: YES / NO

I am interest in applying for the: Check all that apply:

_____ Golf Pass _____ Pool Pass _____ Energy Audit Rebate _____ Two free trees (see planting requirements)

For New Homes or Rehabilitation and Remodeling of Homes:

Name of Contractor(s): _____ License No(s): _____

Address(s) of Contractor: _____ Phone #(s) of Contractor: _____

I, _____, the undersigned, do hereby certify that I understand and agree to the all the terms and conditions of the above Housing Incentive Program set forth herein. I further certify that I understand that the Preston Economic Development Authority has the right to reject any and all applications at their discretion and all such decisions are final.

Signature _____

Date _____

Application Check List for New Homes:

Proposed home is at least 1,000 livable square feet in size ("mobile" homes are not applicable under this program)	
Application form has been filled out in its entirety	
Building Permit issued/and paid for (if applicable)	Date of Approval
Application forwarded to Utilities, Date	Park board Date
	Tree board Date
	Golf Course Date
EDA approval	Date of EDA approval