

**LOCAL CONTACT:**

For additional information regarding the  
City of Sparta Community Development  
Block Grant Program Contact:

Jeanne S. Choutka

CDBG Coordinator

201 W. Oak St.

Sparta, Wisconsin 54656

Telephone: (608) 269-6509



**Community  
Development  
Block Grant  
Revolving Loan  
Fund**



## PROGRAM DESCRIPTION:

The City of Sparta Community Development Block Grant Loan Program is a residential housing rehabilitation program developed to maintain and improve residential property owned by low and moderate income residents of the City of Sparta. The program is administered by the Community Development Office in City Hall.

## ELIGIBILITY REQUIREMENTS:

- To be eligible for a rehabilitation loan, an applicant must be an owner/occupant of the dwelling or a land contract buyer.
- The applicant must have owned and occupied the unit for six months prior to applying for a loan.
- The applicant's income shall represent 80% of the Median County income levels.

Household Size	Gross Income Limit	Household size	Gross Income Limit
1	\$32,850	5	\$50,700
2	\$37,550	6	\$54,450
3	\$42,250	7	\$58,200
4	\$46,900	8	\$61,950

## ELIGIBLE WORK ACTIVITIES:

- Connections of housing units to City water and sewer mains.
- Adapting residence for use of a handicapped person.
- The rehabilitation, removal or replacement of elements of the dwelling structure, including foundation, floors, walls, roof, basic equipment (furnace, hot

water tank, electrical and sanitary fixtures), and other improvements such as weatherization, insulation, siding.

## INELIGIBLE WORK ACTIVITIES:

- New construction, expansion of size of the structure, or the finishing of unfinished spaces except as required for eliminating overcrowding.
- Materials, fixtures, equipment or landscaping of a type or quality which exceeds that customarily used in similar properties.
- Appliances or furnishings.

## BIDDING AND CONTRACTING:

- Bids will be obtained from at least **three** qualified contractors, whenever possible.
- Contractors doing work for the City of Sparta Community Development Block Grant program must be licensed with the State of Wisconsin, the City of Sparta and be **lead and asbestos certified**.

## FINANCIAL ASSISTANCE:

Financial assistance shall be provided with a deferred payment, no interest loan.

Repayment of the loan is deferred until the loan recipient no longer owns or lives in the housing unit.

Loan amounts shall not exceed \$12,000 per housing unit and are based on **available equity**. Project costs exceeding \$12,000 shall be paid by the owner.

A mortgage shall be issued against the

property in the amount of the loan to insure repayment.

## APPLICATION PROCEDURES

Contact City of Sparta, at 201 W. Oak St. (608) 269-6509 to obtain an application. Upon submittal of the application City staff will inform the applicant of any deficiencies within 21 working days. Once the application is complete, the Community Development Block Grant Committee will make a determination regarding funding.

## SAFETY REMINDERS:

- All homes which are rehabilitated using CDBG funds **MUST** have an adequate number of functioning, properly placed smoke detectors. The purchase and installation of smoke detectors is an eligible CDBG expense.
- Lead exposure in young children can cause reduced IQ and attention span, learning disabilities, developmental delays, and a range of other health and behavioral effects. Most exposures occur in homes or daycares built before 1978 where lead-based paint has deteriorated because of deferred maintenance or where lead hazards have been created through renovation done without using lead-safe work practices.