1. Applicant completes Application Packet and submits it to Housing and Community Development Office (H&CD) Office at above address.

2. H&CD Office will then establish income eligibility by determining the applicant’s total annual gross household income is under 80% Area Median Income based upon combined amounts of household income and liquid assets.

3. If applicant does not meet eligibility criteria, H&CD Office sends written notification of ineligibility along with statement of right to appeal denial.

4. If applicant meets eligibility criteria, H&CD Office schedules an appointment with the homeowner and the contracted housing inspector to assess necessary assistance.

5. The contracted housing inspector provides H&CD Office with Initial Inspection Report, which includes itemized list of deficiencies, photos of deficiencies, and cost estimate for repairs. H&CD Office provides copy of report to homeowner.

6. H&CD Office obtains Property Appraisal providing current market value of the home.

7. H&CD Office calculates projected market value of home by adding current market value and estimated cost to repair deficiencies. To be eligible for services, after rehabilitation the home to be assisted must not exceed the market value of the property.

8. If property meets eligibility criteria, H&CD Office prepares Scope of Work document, per City’s housing inspector’s report, which details necessary assistance work.

9. H&CD Office schedules appointment for interested contractors to view home. H&CD Office sends an Invitation to Bid to City’s licensed contractors. Others present will be homeowner; contracted housing inspector; and depending upon deficiencies, possibly staff from another City department.

10. H&CD Office schedules appointment for homeowner to open sealed bids with H&CD Office staff. The lowest bid is selected.

11. If homeowner wishes to proceed, H&CD Office forwards application to Mayor’s office for written authorization to proceed.
12. When loan approval is endorsed by Mayor’s Letter, H&CD Office prepares Contract Agreement and Notice to Proceed and schedules appointment for homeowner and contractor to sign.

13. Homeowner is provided with Notice of Right to Rescission, which allows three business days for homeowner to back out of contract transaction.

14. H&CD Office notifies selected contractor with an Award letter and clarifies to contractor that no work is to be started until all required paperwork is signed.

15. H&CD Office sends denial letters to contractors not selected.


17. H&CD Office prepares Mortgage, placing a lien against the property for the total cost of rehabilitation services, and Promissory Note. Total cost of services includes associated fees for property appraisal, initial and final home inspections, and Mortgage filing fee. The Cheyenne Housing & Community Development (H&CD) Office’s policy is that mortgages are not subordinated under any circumstance.

18. If the rehabilitation work exceeds $5,000 a depreciable loan is established with a depreciation rate of $1,000 per year. At the time of transfer the non-depreciated amount will be due and payable immediately. If the rehabilitation work is under $5,000 a deferred loan is established. The entire amount will remain repayable until the maturity date of 5 years or until the property is transferred, whichever comes first.

19. Homeowner signs Mortgage and Promissory Note and H&CD Office provides homeowner with copies.

20. H&CD Office files Mortgage with County Clerk; places a copy of Mortgage and Promissory Note in homeowner’s file; and places original Mortgage and Promissory Note in H&CD office mortgage file cabinet.

21. Depending upon extent of Scope of Work, H&CD Office may conduct periodic inspections of work.

22. If a Change of Work Order for unanticipated work is indicated, H&CD Office prepares a Modified Mayor’s Authorization letter and Modified Mortgage Agreement to include additional costs. Homeowner must sign Modified Mortgage Agreement before Change of Work Order proceeds.
PROCEDURES CONTINUED: PAGE 3 OF 3

23. The contracted housing inspector prepares Final Home Inspection Report, which includes photos of repaired deficiencies.

24. Contractor provides H&CD Office with Invoice.


26. Contractors are paid by City after sign-off on Authorization for payment.

27. H&CD Office provides homeowner with the contractor’s name who worked on the home. The contractor provides a one year warranty to rectify work, if needed. Homeowner notifies contractor if any warranty work is needed.

28. Closing Letter is sent to homeowner.