

City of Silver Bay Economic Development Authority
2022 New Home Grant Program

1. PURPOSE

The purpose of this program is to aggressively promote the construction of new housing units in the City of Silver Bay.

2. HOW THE PROGRAM WORKS

Individuals, builders, developers or companies who agree to construct a new home, townhome, condo or apartment unit in the City of Silver Bay in 2022 will receive a cash grant upon completion of the home/unit in the amount of:

- 10% of the home or unit's assessed value; or
- 15% of home or unit's assessed value if the owner agrees to occupy the home as a homestead residence continuously for 10 years.

In addition, the City will waive all sewer access charges (SAC) and water access charges (WAC).

To encourage the creation of new infill developable lots within the City, the City will waive any application fees and will expedite the review and approval of lot splits, combinations, or variances where resulting lots reasonably meet size and setback standards of the zoning code and neighborhood norms.

3. APPLICATION PROCESS

The EDA will accept applications to participate in the program starting January 1, 2022. Multiple applications are allowed, one application for each home or multi-family complex. Applicants must provide the following information:

- a. The name, address and contact information of the applicant.
- b. The location (address or legal description) of the lot or parcel where the home will be constructed, and evidence of ownership interest in the parcel, such as title, a purchase agreement, etc.
- c. If the applicant will be the occupant of the home/unit, documentation of family income (most recent Federal Tax Return is preferred.)
- d. Building Plans showing basic floor plan and construction details.

The City will promptly review applications and, if approved, prepare a grant agreement which outlines terms, conditions and obligations.

4. SPECIAL REQUIREMENTS FOR 15% HOMESTED GRANTS

Applications for the 10% grant amount have no requirements beyond completing home construction. Applicants who wish to take advantage of the 15% homestead grants must satisfy additional requirements:

- a. In the grant agreement, applicants must state their intention to homestead the property (establish primary residence) and maintain occupancy for the next 10 calendar years.
- b. The City will record a 2nd mortgage on the property equal to 5% of the completed home/units assessed value. Should the home be sold or lose homestead status at any time during the 10 years after completion, the mortgage will become permanent. After 10 years of continuous homestead status, the City will execute and return to Applicant a Satisfaction of Mortgage prepared by Applicant at its expense.

5. TIME FOR COMPLETION

Applicants are expected to make every effort to commence construction of new homes/units in calendar year 2022 and to complete and occupy the homes/units no later than December 31, 2023. If these deadlines are not met and the applicant cannot show good cause satisfactory to the City, the City reserves the right to cancel the grant agreement.