

## HOMEMAKER PROGRAM FACT SHEET





## **Program Description and Purpose**

The City of Knoxville's Community Development Department has properties (vacant lots and lots with substandard structures) available for sale to non-profit organizations, for-profit businesses, private developers (see Application Part 1) and individuals who will own and occupy the property (see Application Part 2). These properties have been identified by the City for acquisition based on the necessity of blight removal, neighborhood redevelopment, and/or affordable housing opportunities. The final purchaser of the property will be required, in almost all cases, to either construct a new dwelling on the property or rehabilitate the existing structure.

## **Program Procedures**

Community Development will post a list of all available Homemakers Program properties, with any restrictions, in the Community Development office and on the City of Knoxville Website. All properties must be posted for a minimum of 30 days before the Homemakers Program Committee will act on any application. Application forms to purchase properties are available in the Community Development office or may be downloaded from the City Website: <a href="http://knoxvilletn.gov/homemaker">http://knoxvilletn.gov/homemaker</a>

Developers must propose to construct new housing or rehabilitate the existing structure located on the parcel. The proposed reuse <u>must</u> comply with neighborhood zoning and the Metropolitan Planning Commission's In-Fill Housing Guidelines as well as the Community Development Department's Rehabilitation Standards (in the case of rehab). Lead Based Paint Regulations will apply for existing structures built prior to 1978. Local building codes will apply for both new construction and rehabilitation. Construction plans for properties on the National Register or zoned Historic under local overlay must be reviewed and approved by the Historic Zoning Commission. If a parcel is not buildable, applications for related residential use, such as combining with adjacent residential property or community gardens will be considered.

The City establishes a target price based on property value for each parcel. Applications with offers below the target price may be considered if the reduced price is necessary to make the project affordable to low income homebuyers or tenants and the proposed project is consistent with the City's Consolidated Plan.

The Homemaker's Program Committee will typically meet on the last Wednesday of every month to consider applications for purchase of available properties listed.

All applications must be received in the Community Development Office at least 14 days prior to the meeting date and no later than 4:00 p.m. that day.

Applications will <u>only</u> be accepted for properties on the Homemakers List at the date of application. Due to the fact that competing proposals may be reviewed at the same Homemakers Committee meeting please ensure your proposed price and development plan is your "best and final" offer for purchase. Properties whose target price indicates "<u>minimum</u>" are not eligible for a reduced bid consideration. Any bid proposed for these properties must be at or above the listed minimum price. If your offer is not accepted and the property remains on the listing in subsequent months, you may re-apply for purchase consideration with a new application.

Once an application is approved, the purchaser will enter into a conditional sales agreement, which will specify the terms of the purchase and conditions for transfer to the purchaser. It is strongly encouraged for the applicant to include plans and proof of funding with their application. However, the purchaser "must" submit plans within 90 days of the date of the agreement for new construction or rehabilitation of an existing structure. Additionally, he/she "must" provide a written commitment of funds for financing for the project within 120 days of the date of the agreement. Upon approval of plans and financing, transferred title will be the approved purchaser. to The construction/rehabilitation must commence within 180 days of the deed transfer. purchaser must agree to complete construction of a dwelling or complete rehabilitation of the existing structure within one-year following delivery of the deed.

Property will be transferred by Deed with restrictive covenants, a reverter clause, or other mechanism that will enforce compliance with the terms, covenants and conditions required by the Homemaker's Agreement. Final approval of all purchases lies with City Council or Knoxville's Community Development Corporation's (KCDC) Board of Commissioners.

## **Lead Paint**

Houses purchased through the Homemaker's Program are subject to the HUD regulations on Lead-Based Paint Hazards in Federally Owned Housing and Housing Receiving Federal Assistance. Houses built after January 1, 1978, properties found not to have lead-based paint, and unoccupied units that will be demolished are exempt from Lead Based Paint Rules.

Homemaker Program information (including applications and listing) is available on the City of Knoxville's webpage:

http://knoxvilletn.gov/homemaker