



**City of Burnsville
100 Civic Center Parkway
Burnsville, Minnesota 55337-3817
(952) 895-4400**

**APPLICATION FOR
HOUSING IMPROVEMENT AREA (HIA) FINANCING**

Legal Name of Association_____

Mailing Address_____

Name of Contact Person: _____ Phone_____

Name of Management Firm/Agent (if different than contact person)

_____ Phone_____

Legal Description of the Project Site: _____

REQUESTED INFORMATION

Addendum shall be attached hereto addressing in detail the following:

1. Give a general description of the project.
2. Explain how the project will meet the goals of the City council as identified in Section 3.01 of the City of Burnsville HIA Policy.
3. Provide a timeline for the project including the dates of membership meetings to discuss a project, construction bid document preparation, submittal of required petitions, public hearings, construction start, submission of first draw request and project completion, etc.
4. List of improvements and estimated project budget. The improvements must be presented in architectural plans and bid documents prepared by an architect. Submit a minimum of 3 detailed bids from different licensed contractors. The bids should prioritize the needs and include specific breakdown of materials, labor, permits, taxes and other charges that may be incurred. The contractor must provide a performance guarantee to the Association in the form of a Letter of Credit or Bond or intent to provide one as a part of the construction contract.

5. Explain why Housing Improvement Area financing is necessary to undertake the project. Attach any documentation regarding efforts to secure private financing.
6. Explain the process used to determine the scope of the proposed project and the desire for HIA financing among the association members. Provide any documentation regarding owner meetings discussing project.

Attach the following:

- Association Bylaws
- Audited financial statements for the last two years
- Association Financial Plan which identifies how both maintenance and operation of the common elements will be paid for and a long-range plan to conduct and finance capital improvements.
- Payment of application fee
- Detailed cost estimate and plans from duly licensed architect and copy of contract with architect

What is the proposed term of the HIA? _____ Years.

How do you propose the fee to be charged to the affected property owners?

- Equally among all properties
- Other-for example-based on unit size, percent interest in association or value.
- Please identify: _____

Amount of loan anticipated: \$ _____

Are there any properties within the HIA which should be exempt from the fee?

_____ No ____ Yes, explain _____

The following items are to be submitted after preliminary Council review and prior to the public hearing on the creation of the district:

- A copy of the petition to be circulated to members/owners
- Bid documents including architectural plans
- Bids from contractors with construction contract

REQUIREMENTS FOR HOUSING IMPROVEMENT AREA (HIA) FINANCING

To apply for HIA financing, the owners within the association must agree to the following:

1. Disbursements of bond/loan proceeds must be made according to city policy and payable to the association/contractors as specified in the Developers Agreement.
2. Payment of a Development Review application fee and escrow to the City. The fee covers the public hearing process for Development Review and the escrow account will be used for city administrative costs related to the establishment and processing of the HIA.
3. City staff or its agents will review the performance and level of outstanding debt of previous HIAs before recommending the approval of additional HIA debt.
4. The bond (s) shall be for an issue not less than \$250,000.
5. The proposed improvements will be presented in architectural plans and bid documents prepared by an architect. The association will obtain detailed bids from three different licensed contractors. The bids will prioritize the needs and include specific breakdown of materials, labor, permits, taxes and other charges that may be incurred. A construction contract must be provided between the association and the contractor. This contract shall be reviewed and approved by the city. The contractor will provide a performance and payment bond to the association with the city as co-oblige and proof of insurance with limits identified in the construction documents.
6. The Association must enter into a Developer's Agreement, which may include, but is not limited to, the following terms:
 - amendment of by-laws, declaration or covenants
 - professional association management establishment of a reserve fund
 - annual reporting requirements conditions of disbursement
 - third party professional inspection for review of bids, and progress of work
 - maintenance of contractor's performance guarantee for the work (bond or LOC)
 - required dues increases
 - notification to new owners of levied fees

By signing this application, we hereby agree to the following:

1. We have read and will abide by all the requirements of the City for taxable bond financing. We will also commit all contractors, subcontractors, and any other major contributors to the project to all segments applicable to them.
2. The above information is true and correct.
3. The Association will pay all costs involved in the legal and fiscal review of this project.
4. We understand that the City reserves the right to deny final approval, regardless of preliminary approval of the application.

Signature of
Representative_____ **Date**_____