

## Down Payment Assistance Program

The Down Payment Assistance program offers funding for future Carbondale residents towards the down payment of their first home within Carbondale City Limits. The City will provide no less than \$500 and no more than \$3,000 towards the down payment of the home.

To be eligible...

- 1) Applicant must be purchasing a home through a simple mortgage with the intent to own and occupy the home as his/her principal residence
- 2) The home must be the applicant's first home purchase within the corporate limits of the city of Carbondale
- 3) The household cannot earn more than 180% of the median area income (see table below)
- 4) The applicant must provide matching funds towards the down payment proportionate to the household income (see table below)
- 5) Applicant must enter into a grant agreement with the City and place a restrictive covenant on the home which will require a portion of the grant funds to be repaid in the event the home is no longer maintained as the applicant's principal residence. The grant funds will be prorated and forgiven in equal amounts each month the home remains owner-occupied, with all funds being forgiven five years after the grant.

2020	Household Members							
Income Limit	1	2	3	4	5	6	7	8
<b>180%</b>	<b>85,320</b>	<b>97,560</b>	<b>109,800</b>	<b>121,860</b>	<b>131,760</b>	<b>141,480</b>	<b>151,200</b>	<b>160,920</b>
100%	47,400	54,200	61,000	67,700	73,200	78,600	84,000	89,400
80%	37,950	43,350	48,750	54,150	58,500	62,850	67,150	71,500
50%	23,700	27,100	30,500	33,850	36,600	39,300	42,000	44,700
30%	14,250	17,240	21,720	26,200	30,680	35,160	39,640	44,120

Income Level	Owner Match
>80% MAI	100%
50% - 80% MAI	80%
30% - 50% MAI	50%
<30% MAI	30%

Once the application is approved and all requirements have been met, the City of Carbondale will provide the down payment assistance funds at the sale's closing. The City will require that all homeowner and City contributions be itemized on the HUD-1 Settlement Statement.

**CITY OF CARBONDALE**  
**DOWN PAYMENT ASSISTANCE PROGRAM APPLICATION**  
**REFERENCE ORDINANCES NO. 2016-28 AND 2016-54 ATTACHED HERETO**

Applicant(s): \_\_\_\_\_

Current Address of Applicant: \_\_\_\_\_

Phone: \_\_\_\_\_

Number of family members which will occupy residence: \_\_\_\_\_

Estimated Annual Household Income: \_\_\_\_\_

Address to be purchased: \_\_\_\_\_

Current / Previous Property Owner: \_\_\_\_\_

Estimated Date of Property Transfer / Possession: \_\_\_\_\_

Name and address of Lending Institution:  
\_\_\_\_\_

Loan Officer: \_\_\_\_\_

Please attach the following

- 1) Signed Sales Contract (If Applicable)
- 2) 2 recent months paystubs of all employed occupants of the household (18+)
- 3) Previous year's tax returns for all employed occupants of the household (18+)
- 4) 2 recent months of checking/savings account statements for all occupants

I have reviewed Ordinances No. 2016-28 and 2016-54 as attached and understand the terms and conditions and further allow the City to verify the information in order to ensure that the program requirements are met. Submission of this application does not in itself obligate the City or Home Buyer without execution of the agreement.

Homeowner(s)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**CITY VERIFICATION / REVIEW & SIGN-OFF**

Housing Programs Administrator (Development Services): \_\_\_\_\_ Date \_\_\_\_\_

Development Services Director: \_\_\_\_\_ Date \_\_\_\_\_

Approval by City Manager: \_\_\_\_\_ Date \_\_\_\_\_

**CITY OF CARBONDALE, ILLINOIS**

**ORDINANCE NO. 2016-28**

**AN ORDINANCE ESTABLISHING A DOWN PAYMENT ASSISTANCE PROGRAM IN  
THE CITY OF CARBONDALE, ILLINOIS**

**ADOPTED BY THE CITY COUNCIL**

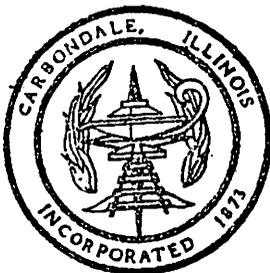
**OF THE CITY OF CARBONDALE, ILLINOIS**

**THIS 24<sup>TH</sup> DAY OF MAY, 2016**

**Published in pamphlet form by authority of the City of Council of the City of Carbondale,  
Jackson County, Illinois, this 25<sup>th</sup> day of May, 2016.**

**CERTIFICATE OF PUBLICATION**

**I, Jennifer R. Sorrell, the duly qualified City Clerk of the City of Carbondale,  
Illinois, and the official custodian of the records of said City, do hereby certify that this  
Ordinance was published in pamphlet form by authority of the City Council on the 25<sup>th</sup>  
day of May, 2016.**



  
\_\_\_\_\_  
Jennifer R. Sorrell, City Clerk

**ORDINANCE 2016-28**

**AN ORDINANCE ESTABLISHING A DOWN PAYMENT ASSISTANCE PROGRAM IN  
THE CITY OF CARBONDALE, ILLINOIS**

**WHEREAS**, the City of Carbondale, Illinois, is a home rule unit of local government under the Illinois Constitution, 1970, Article VII, Section 6; and

**WHEREAS**, pursuant to Article VII, Section 6(a), of the Illinois Constitution, 1970, the City of Carbondale may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to regulate for the protection of the public health, safety, morals and welfare; and

**WHEREAS**, the City of Carbondale has a high number of rental properties within the City limits and the City Council desires a method of encouraging home ownership and finds that offering a Down Payment Assistance Program may be one step in this process; and

**WHEREAS**, the assistance will be in the form a matching down payment up to \$3,000 for any homebuyer purchasing their first home within the Carbondale city Limits, the homeowner's required match would be proportionate to their income levels based upon the Median Area Income (MAI) Levels for the previous year; and

**WHEREAS**, the homeowner would be required to record a restrictive covenant on the property which will require the home to remain owner-occupied for a period of five (5) years with the down payment assistance being recaptured if the property ceases to be owner occupied at a prorated rate of 1/60<sup>th</sup> of the original amount for each month the home is owner occupied during the five (5) years; and

**WHEREAS**, the City Council of the City of Carbondale, Illinois finds it in the best interest of the City of Carbondale to establish a Down Payment Assistance Program with a matching down payment of up to \$3,000 based upon the MAI Levels for the current year, with a

restrictive covenant being recorded on the property in which the home will remain owner-occupied for a period of five (5) years with the down payment assistance being recaptured if the property ceases to be owner occupied at a prorated rate of 1/60<sup>th</sup> of the original amount for each month the home is owner-occupied during the five (5) years; and

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CARBONDALE, ILLINOIS, AS FOLLOWS:**

**SECTION 1.** The City of Carbondale hereby establishes a Down Payment Assistance Program with a matching down payment of up to \$3,000 based upon the MAI Levels for the current year, with a restrictive covenant being recorded on the home which will require the home to remain owner-occupied for a period of five (5) years with the down payment assistance being recaptured at a prorated rate of 1/60th of the original amount for each month the home is owner occupied during the five (5) years. Assistance shall not be provided for any household with an income exceeding 120% of the MAI levels for the current year.

**SECTION 2.** That the City Manager of the City of Carbondale is hereby authorized to and shall take any and all reasonable, necessary and proper actions to carry out the intent and purposes of this Ordinance, including but not limited to, establishing terms and conditions for eligibility under the Down Payment Assistance Program and entering into agreements with eligible recipients for funding.

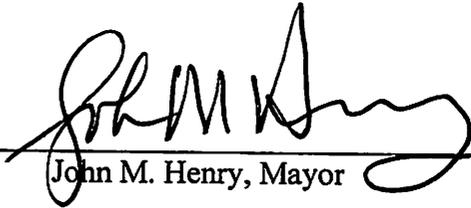
**SECTION 3.** That the Finance Director is hereby authorized to disperse the funds necessary to accomplish the intent of this Ordinance.

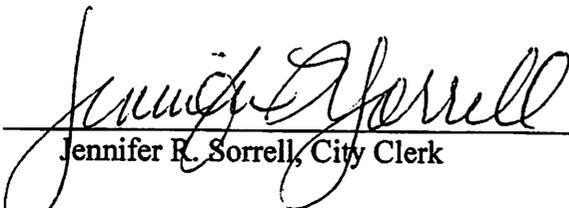
**SECTION 4.** That all ordinances and parts thereof in conflict herewith are expressly repealed and are of no other force and effect.

**SECTION 5.** That it is the intention of the City Council of the City of Carbondale that this Ordinance and every provision thereof shall be considered separable and the invalidity of any section, clause, or provision of this Ordinance shall not affect the validity of any other portion of this Ordinance.

**SECTION 6.** That the City Council of the City of Carbondale finds that the subject matter of this Ordinance pertains to the government and affairs of the City of Carbondale and is passed pursuant to authorities granted it by State statutes and the Home Rule powers of the City of Carbondale pursuant to the provisions of Article VII, Section 6(a) of the Illinois Constitution.

**SECTION 7.** That this Ordinance shall take effect upon its passage, approval, recording, and publication in pamphlet form in accordance with law.

APPROVED:   
John M. Henry, Mayor

ATTEST:   
Jennifer R. Sorrell, City Clerk

APPROVED AS TO LEGALITY AND FORM:

  
Lenoard "Jamie" Snyder, Assistant City Attorney



FOR: Kang, Bradshaw, Harvey,  
Fronabarger, Grant, Loos, Henry  
AGAINST: None  
PASSED: May 24, 2016  
APPROVED: May 24, 2016  
RECORDED: May 25, 2016  
PUBLISHED: May 25, 2016

## Request for Taxpayer Identification Number and Certification

Give form to the  
requester. Do not  
send to the IRS.

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶ .....	
	<input type="checkbox"/> Exempt from backup withholding	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
List account number(s) here (optional)		

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number								
or								
Employer identification number								

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

### Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶
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### Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

**U.S. person.** Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or

- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

**Foreign person.** If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

**Nonresident alien who becomes a resident alien.**

Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.