

Live Ypsi loan program for EMU employees gets funding for 2nd year

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Ypsilanti reporter
February 15, 2013

The Live Ypsi loan program will be available to Eastern Michigan University employees again after it was re-funded for a second year.

The program has \$45,000 available for its second round and officials said it may receive additional funding. The amount equates to about six loans worth \$7,500 each.

The program -- created by the Eastern Leaders Group, Washtenaw County and EMU -- offers forgivable loans to full-time faculty and staff who purchase homes in Ypsilanti. EMU Director of Government Relations Leigh Greden began brainstorming about the program with Washtenaw County nearly two years ago.

According to Greden, the pilot phase of the program was intended to be a small experiment.

"Interest was robust, several EMU employees have already closed on purchases of homes, and additional closings are scheduled," Greden said. "We plan to do another round and are exploring additional funding options because we have a great opportunity with new employees joining EMU in the fall of 2013."

The success and large amount of interest in the first round of the program allowed it to be re-funded, said Melissa Milton-Pung, project manager for the Eastern Leaders Group and an employee within the Washtenaw County Office of Community & Economic Development.

"This initiative was created because we want to encourage people to live and work in the city of Ypsilanti," Milton-Pung said. "We had a huge amount of success for this program, so we decided to move forward."

Milton-Pung said the funding will come from the Eastern Leaders Group and EMU, which will each contribute half of the total amount. Milton-Pung said additional partners still are being sought.

"This number of assisted purchases could go up later in the year if we are successful in securing additional funding," she said.

The second round will continue to work the same way the first did, Milton-Pung said. For each year a homeowner lives in Ypsilanti and maintains employment at EMU, 20 percent of the loan will be forgiven. After five years, the loan is completely forgiven.



*Tricia McTague, who is a professor at Eastern Michigan University, stands with her partner, Dustin Dorsey, in front of the house they purchased in Ypsilanti with the help of a Live Ypsi forgivable loan.
Angela J. Cesere | AnnArbor.com file photo*

The first round of the program had enough funds to grant nine loans, worth \$7,500 apiece. In total, \$60,000 was available.

"All of that money is either completed or in the process of being used," Milton-Pung said. "We have deals that are somewhere in the real estate transaction, but have not yet closed."

Live Ypsi loans are limited to full-time EMU employees who purchase, and not rent, a house in Ypsilanti. The money can be used toward a down-payment, mortgage or home remodel.

Milton-Pung said the first year was a success and she expects to see a continued interest in it.

"We couldn't have created more of a successful program," she said. "We were very lucky to take something that we wanted to emulate from the Live Midtown program in Detroit and were able to apply it to the city of Ypsilanti."

The Live Midtown program incentivizes Henry Ford Hospital, Wayne State University and Detroit Medical Center employees to live in Detroit.

Based on the amount of interest received in the program, Milton-Pung said they may have to become more selective in who is awarded a loan.

The start date of the next round is still being determined, but Milton-Pung expects applications will be accepted on a rolling basis soon. Interested applicants should contact Greden, Milton-Pung said.

Ypsilanti Mayor Paul Schreiber said the program is a testament to the working relationship between the city and university to attract more individuals to the area.

"It's always been my dream and a lot of other people's dreams to have professors living close to campus where they can walk there," Schreiber said.

Ypsilanti's residential property values averaged a 1.58 percent gain in value, which is a major improvement over last year's 8 percent drop. The average home sale price in Ypsilanti is \$96,636, a 16.8 percent increase over 2011.

"It's a green program that reduces energy by having people live closer to where they work," Schreiber said. "I'm really glad it's being re-funded and look forward to more people moving into Ypsilanti."

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