# 2023 Manufactured Housing Opportunity & Revitalization (MORE) Program Overview for Public Comment

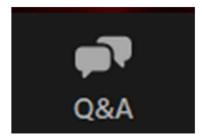
February 6, 2022





# How to ask a question

- Webinar questions:
  - Click "Q & A" chat bubble to submit a question to the team
  - You may ask questions anonymously, but if you want your name, organization, or region associated with your question, you will need to type it in the "Your Name" box
  - The team will read questions out loud throughout the presentation and will provide answers if possible
  - All questions will be saved and recorded as part of the public record





# **MORE Program Team**

## Section Chief: Deb Lindfeldt

## **MORE Program Design Specialists:**

Roxann Kuhnert- HCD Specialist II Judith Hinh- HCD Specialist II Stephanie Reyes- HCD Specialist II

Program Manager: Shirley Chavez



# **Purpose and Goals**



## **Purpose and Goals**

- Rebrands MPRROP and allows for guideline authority
- Focus on health and safety in parks as a dedicated use of funding
- Sets up long-term affordability for mobilehome parks
- Streamlines process to replace parks destroyed by disasters
- Allows individual owners the ability to replace or rehabilitate homes



## **Program Overview**



## **Guidelines Layout**

- Article I: General Overview
- Article II: General Program Requirements
- Article III: Specific to Mobilehome Parks
  - Acquisition, Conversion, Rehabilitation, Reconstruction, or Replacement of a Mobilehome Park
  - Remediation of Mobilehome Parks Act deficiencies related to public health and safety
  - Acquisition and construction of a new Mobilehome Park as a response to a Natural Disaster

### • Article IV: Individual Resident Mobile homes in Park

Rehabilitation or Replacement of Mobile homes

\*Refer to eligible applicants, note individual mobile homeowners are not eligible



- Eligible Applicants:
  - Resident Organization
  - Qualified Nonprofit Housing Sponsor
  - Local Public Entity

Capacity requirements:

- Developed one similar project within last 5 years
- Owned and operated a park for at least 1 year
- Administrative Subcontractor may be used to meet requirements



- Eligible Costs:
  - Acquisition costs, including Mobilehome Park purchase price
  - Permits and state and local fees
  - Appraisal, architectural, engineering, environmental hazard reports, surveys, legal and other professional fees
  - Financing costs
  - Escrow, title insurance, and other related costs
  - Cost of Rehabilitation or Reconstruction or Replacement of the Mobilehome Park
  - Cost to remove an abandoned Mobilehome from the Park
  - Cost for salvage processing



- Affordability for 30 years:
  - Income verification required prior to MORE fund disbursements for existing residents, and new residents at time of move-in.
  - Park is required to keep same number of low-income spaces for 30 years as set at time of application. Annual income re-verification is not required.
  - Annual rent increases allowed for either annual percentage change to Consumer Price Index or five percent of the previous rent charged for the space, whichever is less.
  - Loans are forgiven if affordability restrictions maintained for loan term.



# **Funding Priorities**:

- The applicant is a Resident-owned Mobilehome Park
- The number and severity of Mobilehome Park Act violations
- Mobilehome Parks with a suspended permit to operate



## Remediation of Mobilehome Park Health and Safety Deficiencies or Violations

#### • Eligible Applicants:

- Resident Organization
- Qualified Nonprofit Housing Sponsor
- Local Public Entity
- Private Mobilehome Park Owner

#### Stability and capacity includes:

- Experience with one similar project within the past year
- Administrative Subcontractor may be used to meet requirements

#### • Eligible costs include:

- Repairs to correct cited health and safety violations
- Repairs required to individual homes to correct cited health and safety violations
- Past due fees related to a suspended or revoked permit to operate



## Remediation of Mobilehome Park Health and Safety Deficiencies or Violations

- Loan terms: 30 years with max 3% interest
- Affordability restrictions for 30 years:
  - Space rents restricted to *lower of*: <80%AMI *or* 30% below market rent for comparable space
  - Tiered system:
    - 1-10 spaces in park: exempt from affordability restrictions\*
    - 11-25 spaces in park: 10% affordable
    - 26-50 spaces in park: 25% affordable
    - 51 spaces or more in park: 50% of spaces affordable



## **Park Replacement for Disaster Response**

#### **Eligible Applicants:**

- Resident Organization
- Qualified Nonprofit Housing Sponsor
- Local Public Entity

\*Private Mobilehome Park Owner Private park owners are NOT eligible, but they can repair or replace individual coaches under remediation of health and safety deficiencies.

#### Stability and capacity includes:

- Experience with one similar project within the past year
- Administrative Subcontractor may be used to meet requirements

#### • Eligible Costs include:

- Relocation costs pursuant to CCR, Title 25, §8020;
- > Onsite improvements related to the reconstruction of the Mobilehome Park; and more

## \*Displaced residents are offered right of first refusal to occupy new park, and park may be relocated to within 20 miles of destroyed park\*

\*At least 50% of the spaces in new park is affordable\*



## Rehabilitation or Replacement of Individual Mobilehomes

- Eligible applicants:
  - Resident Organization
  - Qualified Nonprofit Housing Sponsor
  - Local Public Entity

\***Private park owners** are **not eligible**, but they can repair or replace individual coaches under <u>remediation of health and safety deficiencies</u> section

- Eligible costs:
  - Repairs to correct health and safety related items
  - Accessibility upgrades, energy efficiency upgrades
  - Replacement if more cost effective than rehabilitation



## Rehabilitation or Replacement of Individual Mobilehomes

- Loan Terms:
  - Recipient intermediary: forgivable loan
  - Sub-grant to homeowner: closed upon completion of the work, max 3 years
- Priority awards to:
  - Cited violations pursuant to Title 25
  - Reported issues by licensed contractor equivalent to Title 25 violation



- Over-the-Counter NOFA
- Applications that are not complete may not be considered
- Distribution and geographic targets will be detailed in the NOFA and Guidelines



## **Timeline of Guidelines and NOFA**

- February 2 Draft Guidelines Release
- February 15 Public Comment Ends
- **April** Final Guidelines and NOFA jointly released.
- Estimated Application Opening: June 2023
- Estimated Application Closing December 2023
- Awards will be made continuously throughout the NOFA period.



# **Public Comment Period**



# **Public Hearing Goals**

- Fiduciary responsibility
  Public participation
  Public familiarity
- ➢Questions and answers



# How to submit a comment

- Enter your comment in the chat; or
- Email your comment to:

MORE@hcd.ca.gov

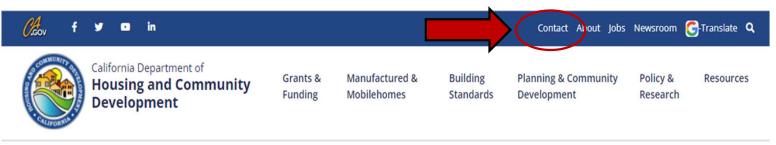
- Include in your email:
  - Your comment
  - The section of guidelines you are commenting on
  - Your contact information



# **Questions/Comments**



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