

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE**

2020 W. El Camino Avenue, Suite 500, 95833
P. O. Box 952054
Sacramento, CA 94252-2054
(916) 263-2771 / FAX (916) 263-2763
www.hcd.ca.gov



Date: July 6, 2016

MEMORANDUM FOR: INVITED APPLICANTS AND OTHER INTERESTED PARTIES

FROM: Laura A. Whittall-Scherfee, Deputy Director
Division of Financial Assistance

SUBJECT: AMENDMENT #1 FOR NOTICE OF FUNDING AVAILABILITY – Mobilehome Park Rehabilitation and Resident Ownership Program (MPRRP)

On January 6, 2016, the Department of Housing and Community Development (HCD) announced the availability of approximately \$15 million in funding for the Mobilehome Park Rehabilitation and Resident Ownership Program (MPRRP).

The NOFA rule regarding Conversion Loans (page 10) states the following:

- I. Conversion loans provide interim, short-term financing to resident organizations, qualifying nonprofit housing sponsors, or local public entities with a three-year maximum term at three percent (3%) simple interest per annum. The maximum loan amount is fifty percent (50%) of the conversion costs attributable to the low-income residents of the park, or such lesser amount as required for project feasibility. The combined MPRROP financing and senior debt cannot exceed a 100% loan-to-value ratio

Per Health and Safety Section Code (50784 (e)) the Conversion loan application limit for resident organizations in the NOFA is amended as follows:

- I. **The Department may waive the maximum loan amount for resident organizations from fifty percent (50%), up to a maximum of ninety-five percent (95%) of the conversion costs attributable to the low-income household spaces, if both of the following are satisfactorily documented in the MPRROP application:**
 1. **That the applicant has made an effort to secure additional funds from other sources and these funds are not available.**

2. That the project would not be feasible as determined by the department without a waiver of the fifty percent (50%) financing limitation.

If you require further assistance or have any questions, please contact Conant Radcliffe at (916) 263-1463. As a reminder, the **application due date is March 1, 2017**.

Sincerely,

Laura Whittall-Scherfee
Deputy Director