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 (MPRROP)

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 (MPRROP).

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