

Mobilehome Park Rehabilitation and Resident Ownership Program (MPRROP)

Draft Technical Assistance (TA) Guidelines



Prepared by the Department of Housing and Community Development
November 2018

The Department is providing this presentation as an overview of the MPRROP TA Guidelines Draft now posted for public comment from

November 1 through December 1, 2018.

Directions for sending the Department comments are available in this Power Point presentation, and online at <http://www.hcd.ca.gov/grants-funding/active-funding/mprprop.shtml>.



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Overview of MPRROP

MPRRROP is authorized by California Health and Safety Code section 50780 et seq., Chapter 11, Part 2, Division 31, as amended from time to time;

and

Regulated by California Code of Regulations, Title 25, Chapter 7, Subchapter 13, sections 8000 et seq.

Visit <http://leginfo.legislature.ca.gov/> for complete copies of the Codes or Regulations.



Recent Statutory Changes

- AB 225 amended statute in 2014, which altered the name of the program and made minor revisions.
- SB 944 amended statute in 2016 to allow resident owners to use funds to replace their mobilehomes.
- **SB 136 amended statute in 2017 to allow grants for technical assistance.**
- **New!** AB 2056 (2018) amended 50784.5, added 50784.6, and amended 50784.7; added disaster relief funding and new loan terms beginning in 2019.



Overview of Program

MPRRROP provides simple interest deferred loans, and in some cases grants, to help pay for:

- conversion costs when converting to resident ownership, or the purchase of a share or space in a converted park;
- rehabilitation costs for a park's infrastructure and/or rehabilitation of resident owners' individual units; and/or
- Development of a new park if previous park destroyed by a natural disaster, pursuant to 50784.6 (AB 2056; 2018).



Purpose

MPRRROP's main purpose is to protect lower income mobilehome park residents from both physical and economic displacement by encouraging and facilitating conversion of mobilehome parks to resident ownership by

- resident organizations,
- qualified nonprofit housing sponsors, or
- short-term acquisition by local public entities for eventual conversion to resident ownership.



Overview of SB 136 Technical Assistance

SB 136 added section 50787 to the Health and Safety Code, which authorizes the Department to contract directly with nonprofit corporations to deliver TA to mobilehome park residents and community-based nonprofit organizations.

The goal is to provide MPRROP TA to mobilehome park residents and community-based nonprofit organizations to help them successfully finance, acquire, operate and improve California's lower-income mobilehome parks.



Guidelines Implementing 50787

Pursuant to 50787(c), the Department is adopting guidelines to address the following:

100. Purpose and Scope
101. Contract Amount and Terms
102. Scope of Work
103. Proposal Process
104. Minimum Qualifications
105. Selection Criteria
106. Legal Documents
107. Reporting Requirements
108. Defaults and Cancellations
109. Prohibited Activities



100. Purpose and Scope

101. Contract Amount and Terms

102. Scope of Work



Purpose and Scope

Section 100

Pursuant to Health and Safety Code 50787 (2017), the purpose of these guidelines is to implement a uniform set of rules for the procurement of TA providers.



Contract Amount and Terms

Section 101(a)-(b)

(a) Funding: \$1.2 million

\$950,000 for direct technical assistance, and \$250,000 for research pursuant to Section 102(b)(2) and 102(b)(3) of the draft guidelines

(b) Term of Contract: The Department is offering an initial term of two years with an option to extend one additional year based on the performance of the TA provider



Scope of Work

Section 102(b)(1)(A)-(D)

The Department is requiring TA providers to perform **outreach** while seeking out **opportunities** in all areas, including, but not limited to:

- (b)(1)(A) Prioritizing outreach in areas of highest need;
- (b)(1)(B) Actively seeking out opportunities through brokers and owners;
- (b)(1)(C) Seeking out, providing assistance to, and encouraging potential owners through networking and other means; and
- (b)(1)(D) Exploring opportunities and encouraging applications; (cont. on next slide)



Scope of Work

Section 102(b)(1)(E)(i)-(viii)

The Department is requiring **direct TA** including, but not limited to:

- i. Evaluating eligibility;
- ii. Assisting with negotiations;
- iii. Securing diverse forms of park financing;
- iv. Advising on ownership structures;
- v. Assessing park/resident rehabilitation needs;
- vi. Assessing land use and ordinance requirements;
- vii. Assisting with legal assessment of applicable laws;
and
- viii. Procuring necessary services



Scope of Work

Section 102(b)(1)(F) and (G)

Requires feedback regarding the provider's assessment of the program's ability to produce the desired or intended results, which may include advice on program policies, assistance with the improvement of internal analysis of applications and tracking tools, and/or technical advice on the existing MPRROP portfolio ((b)(1)(F)).

The TA provider will act as a liaison between the applicant and the Department ((b)(1)(G)).



Scope of Work

Section 102(b)(2), 102(b)(3), and (c)

In addition to outreach and direct TA, the Department is requesting two additional types of TA:

(b)(2) The development of a risk assessment and analysis tool, and

(b)(3) Research which analyzes financial, regulatory and/or other factors present that are barriers to the preservation and improvement of mobilehome parks.

(c) Funding for (b)(2) and (b)(3) is capped at \$250,000 between both provisions.



103. Proposal Process

104. Minimum Qualifications

105. Selection Criteria



Proposal Process

Section 103(a)-(e)

The Department shall:

- (a) Issue a Request for Proposals soon after the guidelines are published;
- (b)-(c) Evaluate complete proposals for compliance with Section 104 of the guidelines;
- (d) Score proposals in accordance with Section 105; and
- (e) Award one or more contracts to the entity or entities submitting the highest scoring responsive proposals.



Minimum Qualifications

Section 104(a)(1)-(4)

Minimum qualifications for performing the scope of work in accordance with Section 102(b)(1) (Direct TA) are as follows:

(a)(1): Must be organized as a nonprofit corporation under federal and state law;

(a)(2): Must have significant experience working with residents and nonprofit organizations;

(a)(3): Must have statewide or local capacity to deliver the TA; and

(a)(4): Must have satisfactory financial stability and performance during the past ten years.



Minimum Qualifications

Section 104(b)(1)-(3)

Minimum qualifications for performing the scope of work in accordance with Section 102(b)(2) or (b)(3) (Research and Analysis) are as follows:

(b)(1) Must be organized as a nonprofit corporation under federal and state law;

(b)(2) Must have satisfactory financial stability and past performance during the past ten years; and

(b)(3) Must have demonstrated capacity and experience to perform analytical work, evidenced by work, reports, or studies in the past ten years.



Selection Criteria Section 105(a) and (b)

Proposals will be scored according to the proposer's scope of work. All proposals may include the scope of work in accordance with Section 102(b)(1), and/or 102(b)(2), and/or 102(b)(3).

If the proposal addresses all categories, a maximum of 100 points between Section 105(a) and 105(b) will be awarded.



Selection Criteria

Section 105(a)(1)-(3) Direct TA

(a)(1) Experience with the acquisition, financing, rehabilitation, and operation of affordable housing projects (5 points);

(a)(2) Experience with the acquisition, financing, rehabilitation, and operation of mobilehome parks (10 points);

(a)(3) Experience with providing TA for the acquisition, financing, rehabilitation, and operation of mobilehome parks or affordable housing (10 points);



Selection Criteria

Section 105(a)(4)-(6) Direct TA

- (a)(4) Experience with supplemental funding sources (5 points);
- (a)(5) Quality of the work plan (10 points); and
- (a)(6) Cost reasonableness (10 points).



Selection Criteria

Section 105(b)(1)-(3)

Research and Analysis

(b)(1) Experience performing analytical work, as evidenced by completion of previous tasks or studies similar to the risk assessment and analysis tool and/or barrier study (20 points);

(b)(2) Quality and detail of the work plan and/or prospectus on a barrier study useful in guiding future public policy intervention (15 points); and

(b)(3) Cost reasonableness given the experience outlined in Section 105(b)(1) and the quality of the work plan (15 points).



106. Legal Documents

107. Reporting Requirements

108. Defaults and Cancellations

109. Prohibited Activities



Legal Documents

Section 106(a)-(e)

(a) The Department will enter into a MPRROP Technical Assistance Standard Agreement (Standard Agreement) with the selected proposer (Contractor). This Standard Agreement shall require all Contractors and parties to the Standard Agreement to comply with the requirements and provisions of these guidelines, as well as generally applicable contracting rules and requirements.

Other terms and conditions are outlined in Section 106(b)-(e).



Reporting Requirements

Section 107(a)-(c)

(a) The Contractor shall deliver quarterly progress reports to the Department, which shall include, but are not limited to, reporting progress relative to the scope of work requirements as stated in Section 102(b) of these guidelines.

(b) The Contractor shall deliver all reports required by the Standard Agreement commencing on the first of each month.

(c) At any time during the term of the Standard Agreement, the Department may perform or cause to be performed a financial audit. At the Department's request, the Contractor shall provide, at its own expense, a financial audit prepared by a certified public accountant.



Defaults and Cancellations

Section 108(a)-(b)

(a) In the event of a breach or violation by the Contractor(s) of any of the provisions in the Standard Agreement, the Department may give written notice to the Contractor(s) to cure the breach or violation within a period of not less than 15 days. If the breach or violation is not cured to the satisfaction of the Department within the specified time period, the Department, at its option, may declare a default under the Standard Agreement and may seek legal remedies for the default.

Review provisions (a)(1)-(2) and (b) for further details.



Prohibited Activities

Section 109(a)-(b)

(a) Health and Safety Code section 50787(b) prohibits Contractors from using MPRROP technical assistance funds to assist with the taking of any mobilehome park by eminent domain.

(b) Contractors are prohibited from receiving payments or items of value from mobilehome park sellers or manufactured home dealers or manufacturers, or their agents, or other parties involved in potential MPRROP transactions, or from parties to MPRROP transactions who are receiving assistance from the Contractor, without the prior written approval of the Department.



Prohibited Activities

Section 109(c)

(c) Contractors, Contractor's staff, subcontractors, and all parties to the Standard Agreement are prohibited from using MPRROP funds to purchase a mobilehome park until one year after the date of termination of the Standard Agreement.

(1) The Department may make an exception to this prohibition if the Department determines that the purchase meets all statutory and regulatory requirements, would preserve affordable housing for low- and moderate-income resident owners, and that there are no other feasible options available for the mobilehome park residents.



The Department welcomes your feedback!

Please submit all public comments to the Department by:

Email: MPRROP@hcd.ca.gov

Facsimile: (916)-263-3394, or

Mail to the following address:

Department of Housing and Community Development
Division of Financial Assistance (SB 136: John Buettner)
Program Design and Development Branch
2020 West El Camino Avenue, Suite 500
Sacramento, CA. 95833

Thank you. You can email questions to
mprrop@hcd.ca.gov





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The screenshot shows the top portion of the website. At the top right, there are links for CONTACT, ABOUT, JOBS, and NEWSROOM, along with a search icon. The main header features the CA.GOV logo on the left, the HCD logo in the center, and the text "California Department of Housing and Community Development" to the right. Below the header is a navigation bar with icons and labels for: Home, Grants & Funding, Manufactured & Mobilehomes, Building Standards, Planning & Community Development, and Policy & Research. On the right side of the navigation bar, there is a "Select Language" dropdown menu and a "Powered by Google Translate" logo. Below the navigation bar is a large banner image with three circular inset photos: a red bus, a small house, and a person working in a field. At the bottom of the banner, the text "IMPROVING LIVES & COMMUNITIES ACROSS CALIFORNIA" is displayed. To the right of this text is a contact menu with three items: "Contact" (with a phone icon), "Email Sign up" (with an envelope icon and circled in red), and "Questions, Comments, Feedback" (with a speech bubble icon). A red arrow points from the bottom center towards the "Email Sign up" option.

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