# **AUTHORITY, PURPOSE AND SCOPE OF WORK**

**1. Authority and Purpose**

1. California Senate Bill No. 197 (Chapter 70, Statutes of 2022) (“**SB 197**”) amended Chapter 11 (commencing with Section 50780), of Part 2 of Division 31 of the Health and Safety Code on June 30, 2022, replacing the Mobilehome Park and Resident Ownership Program with the Manufactured Housing Opportunity and Revitalization Program (“**MORE**” or the “**Program**”). The purpose of MORE is to preserve existing Mobilehome parks and manufactured housing as a source of safe, affordable housing for low-income households in California by providing supplemental financing for remediation of violations of Health and Safety Code sections 18200 through 18700, or to finance the acquisition, conversion, rehabilitation, reconstruction, or replacement of mobilehome parks.
2. The Department issued a MORE Program Notice of Funding Availability on May 2, 2023, as amended November 9, 2023, (the“**NOFA**”). The NOFA incorporates by reference the Program statutes, as well as the Manufactured Housing Opportunity & Revitalization Program (MORE) Final Guidelines, dated May 2, 2023, as amended November 9, 2023 (the “**MORE Guidelines**”), both as amended and in effect from time to time. MORE funds are derived primarily from the state’s direct allocation to the Mobilehome Park Rehabilitation and Purchase Fund. MORE statutes authorize funds to be applied to 1) Local Projects and/or 2) Local Programs as defined in the MORE Guidelines.

1. This STD Form 213 Standard Agreement along with its exhibits (the “**Agreement**”) is the result of Recipient’s application (the “**Application**”) for funding under the Program to finance in part or in whole the project described in the Application and further described herein. This Agreement hereby incorporates by reference the Project Report (as defined in Section 2 of this Exhibit A) and the Application in their entirety. This Agreement is governed by the following Local Projects requirements (collectively, the **“Program Requirements”**):
2. Chapter 11 (commencing with Section 50780) of Part 2 of Division 31 of the Health and Safety Code, as amended by SB 197, and as may be further amended and in effect from time to time;
3. The MORE Guidelines;
4. The NOFA;
5. The Project Report;

1. The award letter issued by the Department to the Recipient in response to the Application; and
2. All applicable law;
3. The purpose of this Agreement is to assist the MORE Recipient to: 1) acquire or cause the conversion, rehabilitation, reconstruction or replacement of a Mobilehome Park; 2) remediation of Mobilehome Parks Act deficiencies related to public health and safety; or 3) acquire and construct a new Mobilehome Park as a response to a Natural Disaster pursuant to HSC section 50784.6 subdivision (a), all as a means to create or retain affordable housing with fixed terms of affordability. The Department’s assistance will be in the form of Forgivable Loans funding the designated purposes outlined above. The Department’s additional purpose in making a Forgivable Loan to the Recipient is to increase the supply of mobilehome parks which provide safe, sanitary, and Affordable housing for Low Income Residents and Tribal Entities. The Department has awarded the Loan to Recipient because Recipient’s Application is consistent with this purpose and in compliance with Program Requirements. By entering into this Agreement and thereby accepting the award of Program Loan funds, the Recipient agrees to comply with the Program Requirements and the terms and conditions of this Agreement.

**2. Definitions**

Capitalized terms set forth herein and not otherwise expressly defined herein shall have the definitions set forth in the Guidelines. In addition:

1. “**Activity**” or “**Activities**” refers to the acquisition, rehabilitation, conversion, remediation, reconstruction, or replacement of the Mobilehome Park, or the combination of any of these activities, described in Recipient’s Application for which the Department awarded the Loan. The Activity or Activities specific to this Agreement are summarized in Section 1, Provision A-1 of Exhibit E to this Agreement.
2. “**Bureau of Indian Affairs**” or “**BIA**” is the primary federal agency of the U.S. Department of the Interior, charged with carrying out the United States’ trust responsibility to American Indian and Alaska Native people, maintaining the federal government-to-government relationship with the federally recognized Indian tribes, and promoting and supporting tribal self-determination. The BIA implements federal laws and policies and administers programs established for American Indians and Alaska Natives under the trust responsibility and the government-to-government relationship.
3. “**Covenant**” refers to the MORE Program Declaration of Restrictive Covenants, executed by and between the Tribal Entity Recipient, the Department, and approved by the BIA, having a term of not less than thirty-five (35) years, containing affordability restrictions and reporting requirements complying with Program Requirements, which shall be recorded with the U.S. Department of Interior, Division of Land Titles and Records, all of which must occur and be completed prior to disbursement of MORE funds. The Covenant shall run with the land and be binding to, and against the parties or their successors for the entirety of the period of affordability.
4. “**Disbursement Agreement**” refers to the agreement executed as a condition to initial disbursement of Loan proceeds between the Department and the Recipient, and such other entities as the Department may require. The Disbursement Agreement shall contain specific procedures, and conditions for disbursement of the Loan as well as a description of the Activities and Mobilehome Park, a disbursement schedule, Work schedule(s), and an updated budget detailing the cost items for the Work approved by the Department including sources of funding to pay for said cost items.
5. “**Ground Lease**” refers to a written contract between the Tribal Entity Recipient landowner and a lessee, whereby the lessee is granted a right to possess Tribal Entity Trust Land for a specified purpose and duration. The lessee's right to possess will limit the Tribal Entity landowners' right to possess the leased premises only to the extent provided in the lease. The existence of the Ground Lease creates a Leasehold interest that may be pledged as security for a debt or obligation owed by the lessee to a lender or other mortgagee. Tribal Entity Recipient shall provide evidence of BIA approval of the Ground Lease promptly to the Department upon receipt of approval by the BIA.
6. “**Land Title Records Office**” or “**LTRO**” refers to the Land Title Record’s Office (LTRO) of the BIA that oversees the administration and maintenance of title documents, document certification, title research and examination and the determination of legal title for Federal Indian trust or restricted lands.
7. “**Leasehold interest**” refers to a legal right to use a property for a contracted period of time and such a legal right is obtained through a lease contract between the owner (lessor) and the user (lessee) of the property. The holder of the leasehold interest is the person paying for the lease. For Tribal Entity Recipients, the leasehold interest that is created through a ground lease must be approved by the BIA and recorded with the LTRO.
8. “**Lease Rider**” refers to that certain document titled “Lease Rider” made and entered into prior to the disbursement of MORE funds, by and among the Tribal Entity Recipient (owner of the full and exclusive possession, use and enjoyment of the subject land), and the Department, to be approved by the BIA and recorded with the BIA LTRO.
9. “**Liquidation Deadline**” refers to the determined final loan installment disbursement date of the MORE funds.
10. “**Loan**” refers to the conditional award of Program funds to be disbursed to Recipient pursuant to the terms and conditions of this Agreement, the Disbursement Agreement, subject to Program Requirements.
11. “**Mobilehome Park**” refers to the mobilehome park described in the Application as the mobilehome park to be improved by the Recipient and financed with Loan proceeds, which meets the criteria set forth in the Project Report and which will be subject to those occupancy and use restrictions set forth in Section 1, Provision A-2 of Exhibit E to this Agreement.
12. “**Project Report**” refers to the Departmental staff report signed by Recipient and presented to and approved by the Department’s Internal Loan Committee. The Project Report sets forth the project criteria approved by the Department at the time of the award of the Loan. The project criteria may be amended only upon the Department’s written approval.
13. “**Regulatory Agreement**” refers to a written agreement between the Department and the Recipient (unless Recipient is a Tribal Entity required to execute a Covenant), having a term of not less than thirty-five (35) years, which will be recorded as a lien on the Mobilehome Park to control the use and maintenance of the Mobilehome Park, including restricting the rent of Assisted Spaces.
14. “**Recipient**” refers to each entity who submitted the Application and was awarded the Loan and includes successors in interest and assignees of a Recipient. Each Recipient must execute this Agreement, the Disbursement Agreement, a Regulatory Agreement or Covenant, and such other agreements and instruments as the Department deems reasonably necessary to carry into effect the purpose of this Agreement and shall be jointly and severally liable for all obligations of a Recipient thereunder.
15. “**Section**” in reference to the Guidelines shall initially refer to that specific numbered section of the Guidelines. If the Department amends any portion of the MORE Guidelines, all references herein to any such portion of the amended MORE Guidelines shall be deemed to refer to the updated version of such MORE Guidelines, either in whole or in part, as may be applicable. To the extent that any MORE Guidelines provision is amended, and thereafter receives a new section number, any reference herein to the old MORE Guidelines section number shall be interpreted to refer instead to the MORE Guidelines section as amended.
16. “**Title Status Report**” refers to the report issued after a title examination that shows the proper legal description of a tract of Trust Land; includes current ownership, including any applicable conditions, exceptions, restrictions or encumbrances of record; and whether interests in the land are unrestricted, restricted, trust, and/or other status as indicated by the record of title in the U.S. Department of Interior, Division of Land Titles and Records.
17. “**Tribal Entity**” means an entity that meets any of the following criteria: 1. Meets the definition of Indian tribe under section 4103(13)(B) of title 25 of the United States Code; 2. Meets the definition of Tribally Designated Housing Entity under section 4103(22) of title 25 of the United States Code;

**3. Scope of Work**

1. The scope of work for this Agreement (the “**Work**”) shall consist of (i) the Activities as described in the Application and Project Report, (ii) the expenditure of the Loan proceeds on eligible costs approved by the Department, and (iii) operation of the Mobilehome Park for the full term of the Loan in compliance with the Program Requirements and the Regulatory Agreement or Covenant. Recipient must perform the Work, or cause the Work to be performed, in full accordance with this Agreement and the Program Requirements. Recipient must provide the Department with an authorizing resolution or set of authorizing resolutions which demonstrate to the Department’s satisfaction that Recipient is authorized to participate in the Program, to perform all required Work, and execute such other agreements and instruments required by the Department in connection with the Work. The Work is further delineated in Section 1, Provisions A-1, and A-2 of Exhibit E to this Agreement.
2. All written materials or alterations submitted as addenda to the original Application, and which are approved in writing by a Division of Financial Assistance Program Manager or higher departmental official, as appropriate, are hereby incorporated as part of the Application and the Project Report and incorporated as part of the Agreement. The Department reserves the right, but assumes no obligation, to review and approve the Work or any portion thereof. The Scope of Work may in no event be revised or altered without the Department’s prior express written consent and approval, which consent, and approval is within the Department’s sole and absolute discretion.

**5. Evidence and Existence of Application Selection Criteria**

1. The Department selected Recipient’s Application for an award of Program funds based upon the Recipient’s eligibility as an applicant, the eligibility of the Activities and costs described in the Application, and the Application’s compliance with threshold criteria set forth in the Guidelines. Recipient assures the Department that the Work and Mobilehome Park will meet all threshold requirements and include all the features, components and Activities that were proposed in the Application and further memorialized in the Project Report.
2. At the request of the Department, Recipient must demonstrate, to the Department’s satisfaction in its sole and absolute discretion, that the Work and Mobilehome Park include, or will include, all of the features, components, and Activities, as referenced above, that provided the basis for the Loan award contemplated in this Agreement. Failure to provide such evidence and otherwise make such a demonstration to the Department may result in a reevaluation of the Application and the reduction or cancellation of the Loan, the repayment of disbursed Loan proceeds, and/or the disencumbrance of all funds awarded.

**6. Deadlines**

Recipient must commence and complete the Work in accordance with the Work schedule(s) approved by the Department and attached to the Disbursement Agreement, and in compliance with any deadlines set forth in Exhibit E of this Agreement. Recipient must inform the Department in writing of any anticipated delays or changes to Recipient’s proposed Work schedules and deadlines in the Disbursement Agreement no later than thirty (30) calendar days prior to the date designated for completion therein. Recipient may submit a written request for extension of any deadlines in the schedules. Any such request must include Recipient’s demonstration of good cause and reasonable assurances that the extension will not adversely affect completion of the Work. Approval of any such extension request shall be in writing and in the Department’s sole and absolute discretion.

**7. State Coordinator**

The coordinator of this Agreement for the state is the Section Chief, Division of State Financial Assistance, or their designee, for the Manufactured Housing Opportunity & Revitalization Program. Any notice, report, or other communication required by this Agreement shall be mailed by first-class mail to the Section Chief at the following address:

Department of Housing and Community Development

Division of State Financial Assistance – PDI

P.O. Box 952054

Sacramento, California 94252-2054

**8. Recipient’s Contract Coordinator**

The Recipient’s Contract Coordinator for this Agreement is set forth in Section 1, Provision A-3 of Exhibit E to this Agreement. Unless the Department is otherwise informed, any notice, report, or other communication required by this Agreement will be mailed by first-class mail to the Recipient’s Contract Coordinator at the address set forth Section 1, Provision A-3 of Exhibit E of this Agreement.