

Applications must be submitted by 12:0 p.m. on Wednesday, September 30, 2020

Background

The purpose of this program is to provide funds to eligible applicants in the state of Minnesota, for eligible infrastructure activities and improvements, and located in eligible manufactured home communities.

Available Funding

The program has funds of \$2,000,000 in state appropriations available for 2021 and 2022. The program is also an eligible use under Housing Infrastructure Bonds. The grant term will be three years. Properties will be subject to additional extended use affordability requirements.

Disbursement of Funds

Funding disbursement schedules will be defined in the grant contract once funds are committed. Funds cannot be dispersed without an executed grant contract.

Eligibility Criteria

Eligible Applicants

Eligible applicants can be any one of the following:

- Cooperative Manufactured Home Park Owners
- Privately Owned Manufactured Home Park Owners
- Government Manufactured Home Park Owners
- Housing Redevelopment Authority Manufactured Home Park Owners
- Nonprofit Manufactured Home Park Owners
- Nonprofits acting as an intermediary on behalf of a Manufactured Home Park

Eligible Parks

Eligible parks must be permanent, year round parks without property age restrictions that are either:

- Cooperatively Owned
- Privately Owned
- Publicly Owned

Ineligible Parks

The following parks are ineligible for funds:

- Seasonal and/or Resort Parks

All applicants should review and comply with the requirements outlined in the Manufactured Home Community Redevelopment program guide found on the Minnesota Housing [website](#).

Eligible Infrastructure Improvements and Acquisition

Eligible infrastructure and improvements include water and sewer installation and improvements, installment or repair of storm shelters, electrical system installation and repairs, road and sidewalk installation or improvements, necessary installation or repair of park signage, installation or repair of security systems and fences, and park lighting installation or repair, as well as acquisition of manufactured home parks and improvements required for acquisition of a manufactured home park. Other infrastructure improvements may be eligible as approved in writing by Minnesota Housing.

Applicants will comply with the minimum architectural design standards posted on the Department of Health [website](#). These are the minimum standards required to maintain a license to operate as a manufactured home park.

Applications for infrastructure improvements must include an assessment of the existing infrastructure item(s) to be improved. Assessments should include a reasonable cost estimate for the improvement and should be conducted by an assessor who is licensed related to the type of infrastructure that needs improvement, as applicable.

Federal, State and Local Laws

Recipients receiving financial assistance from Minnesota Housing under the Program must comply with the requirements of all applicable federal, state and local laws.

Under certain circumstances, awards of agency funds may trigger state prevailing wage requirements under Minn. Stat. § 116J.871. In broad terms, the statute applies to awards that meet the following conditions: (1) new housing construction (not rehabilitation); and (2) a single entity receives from Minnesota Housing \$200,000 or more of grant proceeds or \$500,000 of loan proceeds. The statute excludes new housing construction in which total financial assistance at a single project site is less than \$100,000.

Please note the following statutory provisions:

- A state agency may provide financial assistance to a person only if the person receiving or benefiting from the financial assistance certifies to the commissioner of labor and industry that laborers and mechanics at the project site during construction, installation, remodeling, and repairs for which the financial assistance was provided will be paid the prevailing wage rate as defined in section 177.42, subdivision 6. Minn. Stat. § 116J.871, subd. 2.
- It is a misdemeanor for a person who has certified that prevailing wages will be paid to laborers and mechanics under subdivision 2 [see above] to subsequently fail to pay the prevailing wage. Each day a violation of this subdivision continues is a separate offense. Minn. Stat. § 116J.871, subd. 3.

In addition, a separate prevailing wage statute, Minn. Stat. § 177.41-.43, may apply if funds are used for a building that is publicly owned or leased.

All questions regarding state prevailing wages and compliance requirements should be directed to the Department of Labor and Industry as follows:

Division of Labor Standards and Apprenticeship
Prevailing Wage State Program Administrator
443 Lafayette Road N, St. Paul, MN 55155
651-284-5091 or dli.prevwage@state.mn.us

Application Requirements

The following requirements must be met in order to submit an application for funding:

All Applicants:

- Credit Review Documents: Applicants who are for-profit or non-profit organizations must submit the appropriate documents based on the ownership structure of the park so that a credit review can take place. If an applicant is acting as an intermediary, they must also submit the appropriate documents for the park owner. Government entities are exempt from a credit review.
- Inspection Report: Applicants must submit the most recent park inspection report from the Department of Health or local delegated authority.
- License: Applicants must submit a valid park license.
- Rent Rolls: Applicants must submit three months of consecutive rent rolls to demonstrate park vacancy levels as well as verifying lot rents.
- Applicants must provide documentation that the lots are available to year-round residents within the Manufactured Home Park. If a portion of the park is available to seasonal residents, funds will be awarded pro-rata based on resident occupancy.

Applicants Proposing Infrastructure Redevelopment:

- Bid Documents: Applicants must supply assessment and reasonable cost estimate documents with application when applying for infrastructure redevelopment. If multiple bids are conducted and the lowest bid was not selected, applicants must provide an explanation in the application and narrative. The selected bid should be clearly identified. If only one bid or assessment was completed, provide an explanation why multiple bids were not obtained. Cost estimates and assessments should be completed by an assessor with the legal, educational and/or industry authority to complete a reasonable assessment.
- Construction Timeline: Applicants must submit a construction timeline when applying for infrastructure redevelopment to verify the work will be completed within the terms laid out in the grant agreement.

Applicants Proposing Acquisition as Part of the Project:

- Commitment Letter: Applicants must submit a commitment letter from the first mortgage letter outlining the loan amount, terms and an estimated closing date.
- Purchase Contract: Applicants must submit a copy of the executed purchase commitment for the park.
- Credit Review Documents: In addition to the credit review documents outlined above, applicants must submit the appropriate documents for the proposed ownership entity post-acquisition.

Scoring Criteria

Applicants' proposals will be reviewed on various selection criteria including:

- Infrastructure needs (0-20 points), based on critical need, health & safety issues identified by local authority, and infrastructure converted to public utilities.
- Acquisition scoring, (0-20 points), based on converting communities to cooperative ownership models, the risk of park closure or the risk of the park being converted to other uses.
- Households served and Project assessment (0-20 points), based on applicant demonstrating how the Project will benefit low- to moderate- income households, communities occupied by year-round residents, and application containing a complete infrastructure assessment and/or appraisal and purchase contract.
- Project leverage and costs (0-20 points), based on amount of leverage, leverage sources from local municipality, project cost, and project feasibility based on applicant experience.

Application Instructions

Applicants must submit the application and all other required materials to Minnesota Housing by **12:00pm on Wednesday, September 30, 2020.**

Applications can be completed through the Online Application on the [website](#), or paper applications can be scanned and uploaded using the [Single Family Secure File Exchange](#) (LeapFILE), accessible on the [Partner Login](#) page to MNHousing.ManufacturedHomes@state.mn.us.

All application materials must be signed. Minnesota Housing may request additional information or clarification. Applications that are unsigned or missing requested supporting documentation will be considered incomplete and will not be reviewed, unless Minnesota Housing deems the error or omission to be immaterial. If you need technical support, email MNHousing.ManufacturedHomes@state.mn.us with 'Manufactured Home Community Redevelopment Program' in the subject line.

Applicants must complete the narrative questions and include all of the required information. The narrative questions can be completed through either the Online Application on the [website](#) **or** by completing the Application Narrative form – Applicants do **not** need to complete both.

Applicants are encouraged to be clear and concise in the presentation of information. Applicants must also submit the application checklist and all supporting documentation listed.

When uploading files, applicants should use the following naming conventions for each file: "Applicant Name_Document Name" (i.e. "MN Mobile Home Park_Application Checklist").

Information Session

Interested applicants can review a recorded information presentation, which will be available on the Minnesota Housing website. Applicants can send additional questions to MNHousing.ManufacturedHomes@state.mn.us.

Grant Requirements

Review the grant contract [template](#) for details of the contractual requirements. In summary, all applicants awarded funding under the proposal submitted will be required to:

- Comply with all local, state and federal requirements.
- Meet all construction timelines.
- Meet all achievements proposed in the application.
- Alert Minnesota Housing staff if any material changes occur after the submission of the application.
- Maintain financial records that document the use of all program funds. Review and reconciliation of such records may be requested at Minnesota Housing's sole discretion.
- Maintain records for at least six years after the affordability period term has ended.
- Collect data, provide information and participate in evaluation and reporting conducted by Minnesota Housing.
- Sign and record a declaration that outlines affordability requirements.

Affordability Restrictions

Properties awarded funds will be subject to extended use affordability requirements. Review the sample Declaration. Upon execution of the grant contract, a declaration will be filed of record with the county on the real property upon which the manufactured home park is located. The owner of the manufactured home park must remain in compliance with the declaration through the affordability period. The affordability period will be determined by Minnesota Housing and is up to 25 years. The requirements include:

- The property will remain a Manufactured Home Park
- Manufactured Home Park owners will maintain lot rent affordable to low or moderate income households
- Manufactured Home Park owners will establish and fund an account for replacement reserves for infrastructure and improvement repairs
- Lot rent increases will be capped at 5 percent annually, or as agreed upon in writing by Minnesota Housing
- Any sale or transfer of ownership of the Manufactured Home Park must be approved by Minnesota Housing.

Public Data

As defined in Minn. Stat. §13.599 Subdivision 3, applications remain private until applications are opened. Once opened, the name, address and amount requested become public. All other data in response is private or nonpublic data until completion of the selection process. After the selection process, all data in the application becomes public, with the exception of trade secret data.

Questions?

If you have questions about the Manufactured Home Community Redevelopment Program, please contact MNHousing.ManufacturedHomes@state.mn.us.