



Manufactured Home Community Redevelopment Program (MHCRP) Request for Proposals (RFP) Frequently Asked Questions

Updated September 16, 2024

Pre-Award Risk Assessment Process - **New for 2024**

Q: Who needs to be included as a principal in the required list submitted with the “Certification of Principles”?

A: A principal is a public official, board member, or staff (paid or volunteer) with authority to access funds or determine how funds are used. The list should include any and all people within your organization who will have direct access to the grant funds or who will participate in determining how grant funds are used.

Q: What year’s tax documents should I be submitting?

A: Applicants should submit the most recent tax documents, which should be 2023. If you are submitting 2022 tax documents, provide an explanation for why 2023 taxes have not yet been filed and submit documentation that an IRS extension has been requested.

Q: As a for-profit business entity, what “current financial statements” should I be submitting?

A: A copy of the most recent audited financial documents is ideal. If you do not have audited financials, submit a current balance sheet and profit and loss statements.

Q: How do I prove good standing with the Secretary of State?

A: Search for your organization on the [Minnesota Secretary of State website](#), and submit a screenshot of your current standing. The screenshot should show the Business Record Details of your organization and must include all information above the Filing History. Please note Minnesota Housing staff cannot do this for you, it must be submitted with your application.

RFP/Application Questions

Q: Who is eligible for this program?

A: Eligible applicants include the following:

- Cooperative Manufactured Home Park Owners
- Government or Tribal Manufactured Home Park Owners
- Housing Redevelopment Authority Manufactured Home Park Owners
- Nonprofit Manufactured Home Park Owners
- Privately Owned (for-profit) Manufactured Home Park Owners
- Nonprofit organizations acting as an intermediary on behalf of a Manufactured Home Park owner may submit an application, however; grant funds are awarded to the owner of the Manufactured Home Park.

Eligible parks must be permanent, year-round, parks without property age restrictions either Cooperatively owned, Privately Owned, or Publicly Owned.

Q: Who is not eligible?

A: Fully recreational or seasonal manufactured home parks are ineligible for funding.

Q: What project activities are eligible?

A: Eligible uses of funds include:

- Installation or repair of infrastructure improvements, including:
 - Water and sewer systems;
 - Electrical systems;
 - Roads and sidewalks;
 - Storm shelters;
 - Park signage or lighting related to safety;
 - Security systems and fences;
 - Engineering design of the project;
 - Permits and inspection costs;
 - Improvements required for acquisition of a Manufactured Home Park;
 - Park expansion including lot preparation; and
 - Other infrastructure improvements as be approved in writing by Minnesota Housing.
- Acquisition of a Manufactured Home Park.

All infrastructure and improvements must benefit year-round residential manufactured homes within the park.

Q: What are non-eligible project activities?

A: Funds cannot be used for improvements of individual manufactured homes. Grant funds may not be used for any activity that is in an area of the Manufactured Home Park that is seasonal or not a year-round residential area. Grant funds may not supplement or finance infrastructure improvements that were completed prior to the execution of the Grant Contract Agreement.

Examples of non-eligible project activities:

- Work on individual homes
- Playground equipment
- Purchase of homes

Q: Are there household income limits?

A: Minnesota Housing requires that the acquisition, improvement or infrastructure will benefit low- and moderate-income Manufactured Home Park residents, which is defined as those households whose income is at or below 115 percent of the Area Median Income (AMI), based on the greater of state or local AMI at the time of application. Funding will be contingent on the agreement that Manufactured Home Park owners will maintain lot rents affordable to households at or below 115 percent AMI during the Affordability Period, as described in Chapter 6 of the [Procedural Manual](#). Minnesota Housing will post the applicable income limits and affordable lot rents on its [website](#). If the Grantee is a city, county, or community action program, preference must be given to households at or below 50 percent of the area median income.

Q: Are applications eligible for partial funding?

A: Yes, depending on the review and scoring of applications, some requests may be partially funded. (Example: Funding is approved for a community storm shelter but not approved for tree removal.)

Q: How much are the eligible administrative fees? **New for 2024**

A: Administrative fees include third-party fees associated with the project that the Grantee is responsible for paying, such as legal fees, title fees, appraisal fees, or project management fees. The Grantee is responsible for paying all administrative fees over this threshold.

Funds can be used to pay for project administrative fees up to 10% of the awarded amount.

Q: Are there funding terms?

A: The Grant Contract Agreement period is three years. All duties and activities specified in the Grant Contract Agreement should be completed within the three-year Grant Contract period; however, a Grantee can request an extension of the Grant Contract Agreement if more time is needed to complete the Scope of Work. An extension may be requested in writing by submitting a Manufactured Home Community Redevelopment Program Extension Request Form to Minnesota Housing. Extensions will be reviewed on an exception basis and are at the sole discretion of Minnesota Housing. The maximum extension is two years.

Q: Do I need to sign a contract?

A: All Grantees must sign and agree to the terms of the Grant Contract Agreement prior to beginning work on the approved project and the disbursement of awarded funds.

Q: What is the Declaration of Restrictive Covenants?

A: A Declaration of Restrictive Covenants outlining the Program restrictions, including those outlined in section 6.03 of the [Procedural Manual](#), will be placed on the property upon execution of the Grant Contract Agreement. Grantees must comply with all terms in the Declaration throughout the Affordability Period. A sample Declaration can be found on the Minnesota Housing [website](#).

Q: What is the Affordability Period?

A: The term of the Declaration of Restrictive Covenants is known as the Affordability Period. The length of the Affordability Period is 25 years. During this period, you are not allowed to raise lot rent beyond 5% per year without requesting Minnesota Housing approval which will be reviewed on a case by case basis.

Q: If I currently have a grant, can I apply for another one?

A: Yes, if you are phasing your projects.

Q: If I own more than one park, can I apply for funds for different parks?

A: Yes

Q: Do I need to have some of my own money invested in the project?

A: No, however it does help your score if you have some leverage (your own funds, or funds from another source) and could help set your application apart from others.

Q: What is the process to apply?

A: The application process is available in the 2024 [RFP Instructions](#) and other forms on our [website](#) under Application Materials and Forms. If you submit the required [Intent to Apply](#) before 8/30/2024, you will be able to attend one of two RFP training sessions.

Q: My park is in rough shape with water and sewer issues and bad roads. Does that go against me in applying?

A: No, that is what the grant program was designed to assist with.

Q: We have a lot of dead trees, and they are in danger of falling on homes. Is tree removal an eligible project?

A: Yes, that would be delegated as a safety concern.

Q: Is lot preparation for new homes an eligible use for a project?

A: Yes, but the 2024 RFP will be prioritizing health and safety concerns.

Q: Do you accept Electronic Signatures?

A: Minnesota Housing will use and accept e-signatures on eligible program documents subject to all requirements set forth by state and federal law and consistent with Minnesota Housing policies and procedures. The use of e-signatures for eligible program documents is voluntary. Questions regarding which documents Minnesota Housing permits to be e-signed should be directed to Minnesota Housing staff. E-signatures are not acceptable on any document that needs to be recorded with the county.

Q: Are there construction requirements?

A: Grantees are responsible for complying with all applicable state and local codes and construction requirements. In addition, all items included in the project's scope of work must meet the Manufactured Home Park Requirements outlined by the Minnesota Department of Health. Projects must be completed in a manner that will pass all licensing, zoning and inspection requirements.

Q: Am I required to pay a prevailing wage?

A: Under certain circumstances, awards of Minnesota Housing funds may trigger state prevailing wage requirements under Minnesota Statutes Chapter 177 or Minnesota Statutes Section 116J.871. In broad terms, Minnesota Statutes Chapter 177 applies to an award of \$25,000 or greater for housing that is publicly owned. Minnesota Statutes Section 116J.871 applies to awards for non-publicly owned housing that meet the following conditions: (1) new housing construction (not rehabilitation); (2) a single entity receives from Minnesota Housing \$200,000 or more of grant proceeds or \$500,000 of loan proceeds. Minnesota Statutes Section 116J.871 sets out several exceptions to the applicability of prevailing wage including (1) rehabilitation of existing housing; (2) new housing construction in which total financial assistance at a single project site is less than \$100,000; and (3) financial assistance for the new construction of fully detached single-family affordable homeownership units for which the financial assistance covers no more than ten fully detached single-family affordable homeownership units. All determinations regarding prevailing wage are made by the Minnesota Department of Labor and

Industry. All questions regarding state prevailing wages and compliance requirements should be directed to that agency 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. If, after a determination by the Minnesota Department of Labor that prevailing wage does apply, a contractor or subcontractor fails to adhere to prevailing wage laws, then that contractor or subcontractor could face civil and/or criminal liability.

Q: Are there items that would trigger a termination of the grant contract agreement?

A: Minnesota Housing may terminate the participation of any Grantee under the [Procedural Manual](#) at any time and may preclude the Grantee’s future eligibility for reasons including, but not limited to, nonconformance with:

- The Manufactured Home Community Redevelopment Program [Procedural Manual](#);
- The Grant Contract Agreement;
- The procedural manuals and agreements of other Minnesota Housing programs;
- The Federal Fair Housing Law;
- Any federal or state laws or acts that protect individuals’ rights with regard to obtaining homeownership;
- The Approved Project Activities;
- The Approved Scope of Work; and
- Other applicable state and federal laws, rules and regulations.

Minnesota Housing may impose remedies other than termination of the Agreement for Grantee nonperformance.

Q: What is required for recordkeeping?

A: Grantees must keep files and/or copies of all books, records, project files, documents, and accounting procedures related to the Grant Contract Agreement during the term of the Grant Contract Agreement and for a minimum of six years after the termination or expiration of the Grant Contract Agreement. These documents are subject to examination by the Commissioner of Administration, Minnesota Housing, the State of Minnesota, the State Auditor, and the Legislative Auditor.

Minnesota Housing will review disbursement records associated with the grant. The Grantee must provide a detailed accounting of when grant funds are received from Minnesota Housing and payments are made to third party entities. Minnesota Housing reserves the right to ask for this accounting.

Q: Is there any reporting that is required?

A: Each year by June 30, Grantees must submit an Annual Reporting form to Minnesota Housing's Authorized Representative, including, but not limited to, an accounting of disbursements and expenses of the infrastructure project. Minnesota Housing reserves the right to ask for additional information.

Q: Will Minnesota Housing be doing any monitoring of the project?

A: Monitoring may include a review of financial, organizational and Program activities of the Grantee. Grantees will be notified in writing by Minnesota Housing of monitoring activities. Grantees awarded funds are required to comply with all monitoring and reporting requirements for the term of the Grant Contract Agreement.

Minnesota Housing reserves the right to make site visits, review grantee's records and project files. The Grantee's records and project files, including, but not limited to, project Scope of Work, project invoices, documentation of payments made to third-party entities involved in project activities, such as bank statements or cancelled checks, accounting records, inspection reports, engineering reports, licenses, or project completion certificates. Requested documents must be made available to Minnesota Housing for review upon written request to conduct compliance monitoring.

Added as of September 16, 2024

Q: If lot rent is \$600/month, can we still apply?

A: Yes, as long as that is affordable based on the Area Median Income (AMI) for your area. To be eligible for this program lot rents must be affordable according to the AMI [chart](#) for the area they are located in.

Q: If we are converting private utilities to public utilities, is that considered as *repair or replace*?

A: This depends on the situation. If you are fully replacing them, or replacing something significant, then it is considered *replace*, if you aren't replacing anything significant then it is considered *repair*.

Q: Where do we access the sample demographic survey?

A: Under Application Materials and Forms on our website located on the [MHCRP landing page](#).

Q: How are individual tax returns and park financial information kept confidential?

A: Minnesota Housing's Leapfile portal is encrypted, and only certain agency employees have access to it as well as the specific secured folder where the information is stored.

Q: Are appraisals required to be submitted by September 19?

A: Yes, all RFP submittals are required by the RFP deadline, which is September 19, 2024, at noon.

Q: How would the affordability restrictions concerning the 25-year requirement that it must remain a mobile home park be impacted if the owner sells the park? What would happen if the city rezones the land that the park is on, which would require closing the park?

A: Selling the park within the 25-year affordability term requires Minnesota Housing approval. If the city rezones the land, the covenant would still apply as it attaches to the land.

Q: Are you aware that most appraisers can't provide a commitment to produce an appraisal that is less than two weeks? It more typically takes 30 days.

A: Yes, we are aware of that. The RFP is open for a period of 38 days.

Q: Are appraisals only required for acquisitions?

A: Yes, appraisals are only required if you are requesting an acquisition.

Q: We need to replace our water and electrical infrastructure. Do you know how the physical process of how this works when there are homes in place?

A: No, we do not know the physical process and would recommend asking any contractor you are working with about the process.

Q: Do contractor quotes need to be included with the application?

A: No, they are not required but are helpful.

Q: If the City is partnering with a private park owner, can the City submit the application or must that come from the private park owner?

A: The City can submit the application on behalf of the park, however all of the application materials, including financial information, risk assessment items, and any other pertinent information must be for the park owner. If selected for funding, the park owner would be named as the grantee and would receive the grant funds.

Q: Infrastructure is expensive. \$2M is great, but it's a drop in the bucket when talking about sewer and water updates. Will the focus be on smaller projects to spread the funds out, or at least one large project which scores best and smaller projects thereafter as funds allow?

A: Due to limited funds for this year's RFP, Minnesota Housing will generally be prioritizing health and safety issues. There may be projects with partial funding approval.

Q: I was previously awarded a grant for a septic system upgrade. We estimated the cost with the best information available however after testing this system became

considerably more costly than initially anticipated. Am I eligible to reapply for the additional funds needed for the same project?

A: This would depend on your specific situation and would require a review of your initial application, the amount that was approved for funding and the difference between requested funds compared to actual project costs. Items like this would be reviewed on a case-by-case basis. We do accept projects in phases.

Q: The Community is held in an LLC, but the LLC is not the name of the Community. Does the required proof of good standing need to be a “doing business as” (DBA) of the LLC with the MN Secretary of State?

A: The ownership entity of the park is required to be in good standing with the MN Secretary of State.

Q: Can previous repairs and park acquisition be part of the total project costs?

A: No; any work or acquisitions completed prior to the execution of the grant contract agreement, recorded declaration of covenants and approved scope of work is not eligible for reimbursement.

Q: Do we send tax returns at the same time as sending in the application via secured email?

A: Yes; submit all documents at the same time utilizing the secure Leapfile portal.

Q: The tax return is 400 sheets of paper; do we submit the full return?

A: Yes, the full tax return is required and must be sent via the Leapfile portal instead of email.