

Mobile and Manufactured Home Replacement (MMHR) Program

Local Program Administrator (LPA) Manual



**Homes and
Community Renewal**

Table of Contents

I. DEFINITIONS & ACRONYMS	3
II. INTRODUCTION.....	4
NOTICE OF FUNDING AVAILABILITY AND REQUEST FOR APPLICATIONS	4
APPLICATION PROCESS	4
1. <i>Notice & Submission</i>	4
2. <i>Application Review & Scoring</i>	5
3. <i>HTFC Board Approval</i>	5
3. a.) Application Review for Applicants Not Selected	5
EXECUTION OF PROGRAM AGREEMENT.....	5
1. <i>Insurance Requirements</i>	5
2. <i>Grant Agreement Documents</i>	6
III. PROGRAM ELIGIBILITY	6
ELIGIBLE APPLICANTS	6
ELIGIBLE PARTICIPANTS.....	6
1. <i>Homeownership</i>	6
2. <i>Land Ownership</i>	7
3. <i>Income Eligibility</i>	7
4. <i>Taxes and Insurance</i>	8
5. <i>Affordability</i>	8
PROJECT ELIGIBILITY	8
1. <i>Eligible Properties</i>	8
2. <i>Leveraged Funding</i>	8
ELIGIBLE & INELIGIBLE ACTIVITIES.....	8
1. <i>Eligible Activities</i>	8
1.a. <i>Property Standards</i>	8
1.b. <i>Feasibility of Assistance</i>	9
1.c. <i>Temporary Relocation Assistance</i>	9
1.d. <i>Accessibility, Reasonable Accommodations and Modifications</i>	9
2. <i>Ineligible Activities</i>	9
3. <i>Referral for Services</i>	10
ELIGIBLE COSTS	10
1. <i>Project Delivery Costs</i>	10
2. <i>Administrative Costs</i>	12
3. <i>Other Funding</i>	12
3.a. <i>Leveraging Federal Funds</i>	12
3.b. <i>Participant Upgrade Requests</i>	12
IV. PROGRAM ADMINISTRATION	13
ADMINISTRATIVE PLAN	13
1. <i>Marketing & Outreach</i>	13
2. <i>Conflicts of Interest</i>	13
2. a.) <i>Applicability</i>	13
2. b.) <i>Conflicts Prohibited</i>	13
ENVIRONMENTAL REVIEW/SEQR.....	14
1. <i>Programmatic Clearance</i>	14
2. <i>Site-Specific Clearance</i>	14
CONTRACTOR PROCEDURES	15
1. <i>Equal Employment Opportunity/Minority & Women Owned Business</i>	15
2. <i>Contractor Selection & Monitoring</i>	15

2.a.) General Requirements	16
2.b.) Obtaining Bids by Project	16
3. Construction Monitoring	16
FINANCIAL MANAGEMENT	17
1. Program Budget	17
2. Financial Set-Up.....	17
PROJECT SET UP/DISBURSEMENT	17
1. Project Set Up	17
2. Disbursements	18
3. Project Completion	18
ONGOING MAINTENANCE	19
1. Note and Mortgage.....	19
2. Subordination of the Note and Mortgage.....	20
V. CONTRACT COMPLETION, MONITORING, & COMPLIANCE	20
CONTRACT COMPLETION.....	20
RECORDS & RECORD RETENTION	21
MONITORING	21
1. Technical Assistance.....	22
COMPLIANCE FINDINGS	22
1. Recapture of Funds.....	23
VI. FUNDING OVERVIEW SUMMARY TABLE.....	24

I. DEFINITIONS & ACRONYMS

Applicant – Units of local government or not-for-profit corporations in existence for a period of one or more years prior to application which are incorporated under the New York State Not-for-Profit Corporation Law and have been engaged primarily in housing and community development activities and apply for funding from the MMHR Program in response to an RFA released by OCR.

Housing Trust Fund Corporation (HTFC) – Established by Chapter 67, Section 45-a of the Private Housing Finance Law of 1985, HTFC is a subsidiary public benefit corporation of the NYS Housing Finance Agency. HTFC contracts with the Division of Homes and Renewal (DHCR) to administer the Corporation's activities. HTFC's mission is to create decent affordable housing for persons of low-income.

Life Lease – A residential lease in which the tenant maintains exclusive occupancy or use of a unit for the life of the tenant. Where possible, the life lease should be registered on title to the same property as the deed.

Local Program Administrator (LPA) – A municipality or not-for-profit organization awarded funds to administer HCR programs, including the MMHR Program. An LPA may be a not-for-profit community-based organization, county government, municipality, or other entity incorporated pursuant to New York State Not-For-Profit Corporation Law. Eligible LPAs must have been in existence, and providing relevant housing services to the community, for at least one year prior to the application date for program funding.

MMHR – Abbreviation for the Mobile and Manufactured Home Replacement Program.

New York State Homes and Community Renewal (HCR) – Consists of all the State's major housing and community renewal agencies, including The Affordable Housing Corporation (AHC), The Division of Housing and Community Renewal (DHCR), Housing Finance Agency (HFA), State of New York Mortgage Agency (SONYMA), Housing Trust Fund Corporation (HTFC) and others.

Office of Community Renewal (OCR) – An office within HCR responsible for administering a variety of housing and community development programs, including the MMHR Program.

Note and Mortgage – An agreement signed by both the LPA and the homeowner that is subsequently filed with the County Clerk's Office. The Note and Mortgage is a lien on the subject property and secures the Owner's performance and observance of all the provisions, obligations and covenants delivered in connection with receipt of MMHR grant funds. The Note and Mortgage ensures that the LPA will be notified regarding the sale or transfer of title on the subject property.

Recapture – HTFC may recapture funds from the LPA if funds are not spent within the approved program agreement period, if the funds are not spent in accordance with program rules, or for other reasons. Further, for a variety of reasons, the LPA may be required to have the homeowner return MMHR Program funds to HTFC. The LPA is responsible for the recapture and returning the funds to HTFC.

Recipient – A not-for-profit community-based organization, county government, municipality, or other entity incorporated pursuant to New York State Not-For-Profit Corporation Law awarded funds by HTFC for the administration of an MMHR Program that has not yet signed an executed Program Agreement.

Request for Applications (RFA) – A public solicitation made by HTFC through OCR, to make funds available for the MMHR Program. The RFA provides general requirements, application deadlines, evaluation criteria and other information for potential applicants to consider before submitting a funding application.

SHARS – Acronym for the Statewide Housing Activity Reporting System. This is the database used by HCR to track LPA activity for a grant award. The system stores data related to housing units assisted in New York State. All organizations and municipalities that apply for funding receive an eight-digit SHARS identification number.

II. INTRODUCTION

The Mobile and Manufactured Mobile Home Replacement (MMHR) Program supports the cost of assisting low- and moderate-income homeowners to replace dilapidated mobile or manufactured homes that are sited on land owned by the homeowner with a new manufactured, modular, or site-built home.

This LPA Manual describes the policies and procedures that must be followed by a Local Program Administrator (LPA) in the implementation of its MMHR Program. Policies and procedures contained in this manual must be followed and are enforceable along with the Program Agreement and Administrative Plan.

Program documents and forms referred to in this manual are available on the NYS Homes and Community Renewal (HCR) website at: <https://hcr.ny.gov/mobile-manufactured-home-replacement-program-mmhr#forms---documents>.

Any questions regarding the contents of this manual or the MMHR Program may be directed to OCR staff at: OCRInfo@hcr.ny.gov.

Notice of Funding Availability and Request for Applications

The Housing Trust Fund Corporation (HTFC) through the Office of Community Renewal (OCR), releases a Notice of Funding Availability (NOFA) and Request for Applications (RFA) upon availability of funding in the NYS Budget for the MMHR Program. The RFA provides the framework for the MMHR Program and includes application deadlines, general program requirements, funding limits, and evaluation and selection criteria that will be used by OCR to determine award recipients.

The RFA is widely distributed and made publicly available on the HCR website at: <https://hcr.ny.gov/mobile-manufactured-home-replacement-program-mmhr#funding-round-materials>.

In response to a publicly issued RFA, eligible applicants submit applications that include proposals for administering local MMHR programs, including the criteria for selecting eligible recipients, construction monitoring, and compliance with program requirements.

Application Process

1. Notice & Submission

Once an RFA is made available, applicants must submit MMHR program application exhibits and attachments electronically using the Community Development Online System (CDOL), which is accessible online at <http://www.hcr.ny.gov/Apps/CDOnline/>.

Applicants may make a request, based on demonstrated need, to submit a paper application in lieu of using HCR's CDOL. Requests for approval to submit a paper application must be sent to:

NYS Homes and Community Renewal
Office of Community Renewal
ATTN: MMHR PROGRAM
Hampton Plaza
38-40 State Street, 4 South

Applicants are assigned a SHARS ID number as part of the application process. All communication with OCR regarding application status should include the SHARS ID number.

Only on time applications submitted electronically using HCR's CDOL or pre-approved paper applications will be accepted for review. Incomplete and/or late applications will not be accepted either through the CDOL system or paper submission.

2. Application Review & Scoring

All MMHR Program applications are reviewed according to eligibility and review criteria specified in the RFA. The criteria are derived from the regulatory and policy requirements of the MMHR Program.

Award decisions are made in the context of a competitive process. To the extent feasible, OCR allocates its resources to meet housing needs and achieve a geographic distribution of funding across the State, while promoting community development policies that emphasize the needs of underserved communities and which advance smart growth principals and healthy living environments.

3. HTFC Board Approval

OCR must present all proposed MMHR Program award recommendations to the HTFC Board of Directors, which must approve such awards and provide OCR with authorization to proceed with notification of awards and execution of Program Agreements.

3. a.) Application Review for Applicants Not Selected

An Application Review is offered by OCR staff after award determinations have been announced. The Application Review serves as a debrief to provide feedback and guidance for unsuccessful applicants and is designed to help applicants prepare for future application rounds. Instructions for requesting an application review are included in the notification letter from OCR.

Execution of Program Agreement

HTFC expects to enter into a Program Agreement within 45 business days of the MMHR Program award recipient's compliance with all submission requirements. Program activities must not commence until a Program Agreement is executed with HTFC.

The LPA may subcontract with a municipality, not-for-profit or private firm to provide additional services or support for the administration of a MMHR Program. The LPA, however, must execute the MMHR Program Agreement and remain responsible for the overall program compliance.

1. Insurance Requirements

Award recipients are required to obtain and maintain proper insurance coverage. At a minimum, copies of the following must be provided:

- A Certificate of General Liability Insurance (\$1,000,000 minimum).
- Automobile coverage.
- Workers' Compensation and Disability Insurance; and
- Fidelity insurance coverage in the amount of the largest anticipated disbursement.

Insurance documents must name New York State and the Housing Trust Fund Corporation as loss payee in accordance with the Program Agreement requirements. Disbursement

requests that exceed the amount of the fidelity bond will be rejected.

2. Grant Agreement Documents

The following items comprise the completed Program Agreement:

- **MMHR Program Agreement** – Contains the overall requirements and contents of the agreement between the LPA and HTFC.
- **Schedule A – Awarded Budget & Projected Accomplishments** – Schedule A summarizes the awarded budget, approved service area and projected accomplishments. Schedule A is prepared using information from the original application. Changes must be approved by OCR and may require an amendment to the Program Agreement.
- **Schedule B – Administrative Plan** – The Program Agreement includes the Administrative Plan that outlines the basic procedures an LPA must follow to administer the MMHR Program. LPAs are expected to supplement these basic procedures with local policies and procedures that best meet the needs of the service area. Components of the administrative plan include, but are not limited to:
 - Outreach & Coordination
 - Project Selection
 - Project Development
 - Contractor Procurement
 - Construction Monitoring & Quality Control
 - Ongoing Maintenance

No work on the Program may begin, nor reimbursable costs incurred, until the Program Agreement is executed.

III. PROGRAM ELIGIBILITY

Eligible Applicants

A unit of local government, or not-for-profit corporation in existence for a period of one or more years prior to application that is incorporated under the not-for-profit corporation law and has been engaged primarily in housing and community development activities, is eligible to apply and, if awarded, administer a local MMHR Program. All areas of the State are eligible as MMHR target areas.

Two or more eligible entities may partner in the MMHR Program under a contract or Memorandum of Understanding (MOU) for the duration of the proposed project period. One partner must be identified to serve as the applicant, the LPA, and enter into the contractual program agreement with HTFC.

Eligible Participants

The MMHR Program provides funding to assist with the replacement of owner-occupied dilapidated, sub-standard mobile or manufactured homes.

1. Homeownership

The participant must own and occupy as primary residence the unit receiving assistance, and the LPA must obtain documentation of ownership.

The following forms of ownership are permissible:

- Ownership in fee simple title.
- Ownership of unit, or mobile/manufactured housing with long-term land leasehold interest.
- Condo or co-op unit ownership – with condo/coop board approval.
- Life estate or beneficiary deed ownership whereby two (2) or more people each have an ownership interest in a property. The person holding the life estate (“life tenant”) possesses the property during their life. The other owner(s) or future interests (“remainderman”) automatically take possession of the property upon the death of the life tenant. The life tenant may qualify for program assistance on the following conditions:
 - A. Life tenant does not pay rent.
 - B. Application discloses the existence of the life tenancy.
 - C. Deed names the life tenant and each remainderman.
 - D. Life tenant and remainderman (all owners listed on the deed, or beneficial parties) must sign, witnessed by a Notary Public, the Participant Agreement, and the Note and Mortgage agreeing to repayment obligations placed on the property.
- Inherited property – age 60 or over occupant shares ownership with other non-resident heirs but pays all costs of ownership; all who share ownership must sign the Note and Mortgage.

Right to possession under a contract for deed, installment contract, or land contract (pursuant to which the deed is not given until the final payment is made) is not ownership.

The ownership interest may be subject only to mortgages or other liens or instruments securing debt on the property or any other restrictions or encumbrances that do not impair the good and marketable nature of title to the ownership interest. All owners listed on the deed, or beneficial parties, including life tenants and remainderman, must sign the Note and Mortgage.

2. Land Ownership

In addition to owning the mobile or manufactured home being replaced, the homeowner must also own the land that the unit is sited on. This is a firm rule.

The land may not be owned by:

- Landlord or Mobile or Manufactured Home Park Owner
- County or Municipality
- Family Member or Other Party that is not on the Deed/Title

3. Income Eligibility

Eligible participants must have a household income that does not exceed eighty percent (80%) of the area median income. The LPA must establish a formal procedure for application intake that documents eligibility confirmation and participant selection. This includes maintaining eligibility records that contain the calculation used to substantiate a participant’s income eligibility. The LPA must demonstrate that the participating homeowner has a budget that demonstrates capacity to maintain ownership and property standards for the regulatory period. LPA’s must develop and implement a policy to recertify income eligibility consistently throughout the Program Agreement, subject to OCR monitoring.

4. Taxes and Insurance

Eligible participants are required to be current on real estate taxes and maintain acceptable homeowners' insurance. The LPA must maintain supporting documentation of the most recent paid tax receipt along with evidence of current homeowner's insurance. A copy of the homeowners' insurance declaration page is required, and must include the insured's name, the physical address of the insured property, insurance provider, policy number and coverage. A participant that is unable or unwilling to provide such evidence is ineligible.

5. Affordability

A HUD Certified Housing Counselor must prepare a budget analysis that demonstrates the participant's ability to afford any estimated increase in taxes, costs of participant funded upgrades to the unit, or loans incurred for the project. This budget analysis must be shared as part of set up or revised set up for the project. A HUD Certified Housing Counselor can be located online here: <https://www.consumerfinance.gov/find-a-housing-counselor/>.

Project Eligibility

1. Eligible Properties

MMHR Program funds are available statewide. An applicant, however, must identify the proposed service area. If awarded, the local MMHR Program must be carried out in the defined service area (the community, neighborhood, or jurisdiction where MMHR Program funds will be invested).

2. Leveraged Funding

The LPA may use MMHR Program funding as part of a larger, more comprehensive project. However, the repairs under the MMHR Program must be clearly defined on bid documents and invoices; and meet all eligibility requirements.

Eligible & Ineligible Activities

Costs related to the replacement of dilapidated mobile or manufactured homes sited on property owned by the homeowner will be eligible for reimbursement.

1. Eligible Activities

The following program activities are permitted under the MMHR Program:

- Purchase, site preparation, and construction of new unit
- Cost of demolition, removal, and disposal of the dilapidated unit
- Cost of temporary household relocation assistance
- Cost of accessibility accommodations, if applicable
- Costs of environmental review and testing, with prior OCR staff approval

1.a. Property Standards

The LPA must meet the property standards as applicable for MMHR assisted units to ensure that the housing is decent, safe, and sanitary and meets all applicable New York State and/or local code requirements upon completion.

If a manufactured home replacement unit, the LPA must install the unit according to the installer's specifications, the requirements below, and HTFC MMHR Program Design Guidelines as applicable. The replacement manufactured unit, at a minimum, must meet the

following standards:

- The new unit must be installed according to the Manufactured Home Construction and Safety Standards at 24 CFR Part 3280 (which preempt State and Local codes covering the same aspects of performance for such housing).
- The new unit must be installed on a permanent foundation meeting the requirements of 24 CFR Part 3285.
- The new unit must be connected to permanent utility hookups.
- The new unit must be Energy Star Rated for energy efficiency.

If the replacement unit is a modular or site-built unit, the LPA must install the unit according to all NYS and/or Local Code requirements for new construction.

1.b. Feasibility of Assistance

Before committing funds to a project, the LPA must ensure that no more MMHR Program funds are invested than needed to provide a safe, decent, and affordable housing unit.

- The LPA must ensure that all sources are firmly committed, and the costs are necessary and reasonable.
- The LPA must demonstrate that the participating homeowner has been advised of the obligations of the program, including long term compliance, and has a budget that demonstrates capacity to maintain ownership and property standards for the regulatory period.
- The homeowner will be responsible for ongoing obligations related to ownership, including mortgage(s), property taxes, insurance, and maintenance throughout the Period of Affordability (POA).

Evidence and documentation of this analysis must be maintained in the project file.

1.c. Temporary Relocation Assistance

The LPA is expected to minimize displacement of the household. Funds shall be made available for relocation assistance to participating property owners who are unable to voluntarily relocate during the demolition and construction phases of the project. Short term storage of homeowner appliances and possessions are also eligible costs.

Relocation is an eligible project cost; however, the cost of relocation must be included under the cap for per-unit assistance.

1.d. Accessibility, Reasonable Accommodations and Modifications

The LPA must evaluate and include in the eligible scope of work, accessibility and modification activities required to enable the participating homeowner, or members of the household with physical disabilities to live at home safely and comfortably. These are eligible program costs.

2. Ineligible Activities

The following activities are not permitted in the MMHR Program:

- Rehabilitation or repair of a mobile or manufactured home unit
- Repair or replacement of outbuildings, such as:
 - Garages
 - Carports
 - Storage sheds
 - Outhouses

The number of housing units on the existing lot may not be decreased or increased as a part of a replacement project, but the number of rooms per-unit may be increased or decreased.

The LPA should contact OCR prior to establishing the scope of work if the eligibility of an activity is uncertain. Activities undertaken that are not eligible will result in OCR recapturing or de-obligating MMHR Program funds for that project from the LPA. Additionally, OCR may recapture and/or de-obligate the balance of MMHR Program funds and terminate the Program Agreement.

3. Referral for Services

Any MMHR Program participant that needs assistance outside of the scope of services offered by the MMHR Program shall be referred by the LPA to an appropriate service provider.

The LPA shall establish a procedure that details the service referral process to be used in coordinating with administration of the MMHR Program.

The LPA shall maintain files and records of the Service Provider Agreements in place that provide the following information: service provider name, a brief description of the type of service and copies of written commitment letters.

Eligible Costs

A maximum of \$100,000 in MMHR funding is allowable per property. All, or a portion of this amount may be awarded, dependent upon the eligible scope of work. Other funding sources may be leveraged as applicable.

Eligible costs include the hard costs of the replacement and site work, demolition, and removal, and permits and fees associated with replacement of the mobile and manufacture home. Architectural and design services are also eligible costs, if necessary and appropriate to the work being done. The maximum award must be inclusive of these project costs. Administrative funds are not included in this limit.

Project Hard Costs

Costs related to construction and replacing the unit, including:

- Accessibility for persons with disabilities
- Meeting applicable codes, standards, and ordinances
- Permanent foundation
- Site preparation and utility connections
- Unit demolition and/or disposal
- Unit installation
- Unit purchase
- Construction of new unit

Costs must be substantiated by legible invoices to be eligible for reimbursement. LPAs must retain all supporting documentation and proof of payment in the project files.

MMHR Program funds will be disbursed only for projects completed after the date of the execution of the Program Agreement, and only for projects with "Project Set Up" approval by OCR. Projects completed prior to execution of the Program Agreement or without Project Set Up approval by OCR will not be reimbursed.

1. Project Delivery Costs

The MMHR Program permits LPAs to incur limited Project Delivery Costs, which are soft costs incurred by the LPA for eligible work to a property. While costs must be incurred and attributed to a specific project, they do not have to fall within a per project funding limit, as long as the LPA

does not exceed the maximum overall program per unit cap. Project Delivery Costs must represent actual billing and time, not a flat rate for internal staff costs.

Project Soft Costs

LPAs may consider the following Project Delivery Costs for reimbursement to specific projects:

- Applicant intake/eligibility review (for specific projects that do move forward)
- Architectural/engineering fees to include specifications on job progress inspections
- Homeowner/contractor agreement execution
- Advisory Service for Relocation
- Environmental inspections/review
- Health and safety testing costs, such as lead testing and clearances
- Legal and accounting fees
- Dealer/install set up coordination
- Inspections
- Preparation of cost estimate
- Preparation of scope of work and specifications
- Preparing for procurement and bidding process
- NYS Code inspection
- Recording fees/transaction taxes
- Temporary relocation assistance
- Title binders and insurance; and
- Travel for grant administration (for work that is project-specific)
- Staff salary/fringe costs directly associated with a project such as:
 - applicant intake and determining eligibility
 - conducting site visits
 - completing the scope of work
 - preparation of documents, such as executed contracts, invoices, etc.

The following are NOT permitted project delivery costs:

- Marketing and/or advertising the MMHR Program
- Staff salary/fringe costs NOT directly associated with a project
- Costs incurred by LPA to meet state insurance requirements as found in the Program Agreement.

OCR may consider other project delivery costs not listed above for reimbursement. The LPA must submit a written request to OCR and receive written approval from OCR prior to the start of the project.

Total delivery costs may not exceed ten percent (10%) of the MMHR Program award.

Requests are reviewed for reasonableness and adequate documentation, such as invoices, receipts, and timesheets. Mileage must be described in terms of distance and rate per mile on the disbursement paperwork.

2. Administrative Costs

Administrative funds may not exceed seven-and-one-half percent (7.5%) of the contract total. Costs must be incurred, documented and allocable to the overall administration of the MMHR program, not directly connected to a specific project.

LPAs may consider the following costs for reimbursement with administrative funds:

- Applicant intake/eligibility review (for units that do not move forward)
- Communication (postage, phone, website)
- Consultant fees for administration
- General management/oversight/coordination
- Office insurance/utilities/supplies
- Project audit/CPA services
- Staff salaries/wages for grant administration
- Staff fringe for grant administration; and
- Travel for grant administration (for work that is not project specific)

The following are NOT permitted as administrative costs:

- Any costs that are charged directly to a project as “project delivery costs”
- Offset of salary/fringe costs of staff not directly working with the MMHR Program

3. Other Funding

LPAs are required to demonstrate adequate resources to administer the proposed MMHR Program during the application process. Additional sources of funding are strongly encouraged and may be necessary for costs that exceed the MMHR Program limit. There are several energy assistance and home rehabilitation programs funded by HCR and other agencies that can be of assistance for low-income households. Information on HCR programs can be found at: <https://hcr.ny.gov/>.

3.a. Leveraging Federal Funds

LPAs are allowed to combine funding from federal sources, such as HOME or CDBG, with MMHR Program funds; however, the regulations and requirements for federally funded and State-funded grant programs are not the same.

If an LPA chooses to leverage federal funding with MMHR Program funds for a project, it is the responsibility of the LPA to ensure compliance with all federal regulations and requirements.

3.b. Participant Upgrade Requests

Participants in the MMHR Program are not required to match program funds or repay the MMHR Program costs unless the terms of the Note and Mortgage are not met. Participants may, if desired, pay out-of-pocket for upgrades (i.e., countertops, flooring, fixtures, etc.) to the new unit.

IV. PROGRAM ADMINISTRATION

The term of the MMHR Program contract is three (3) years from the date of the execution of the Program Agreement. LPAs assume responsibility for ensuring successful completion of all assisted projects; evaluating and selecting activities to be supported; entering contracts with participating property owners; and assuring compliance with all local, State, and federal laws and regulations.

Administrative Plan

Administration of each MMHR program will be governed by the original proposal, this Manual, the Program Agreement and associated Administrative Plan.

The Administrative Plan consists of:

- Outreach & Coordination
- Project Selection
- Project Development
- Contractor Procurement
- Construction Monitoring and Quality Control
- Ongoing Maintenance

The Administrative Plan is enforceable along with the terms of the Program Agreement and will be reviewed by OCR staff as part of monitoring.

1. Marketing & Outreach

The LPA will conduct outreach in the awarded service area to make service agencies and potential participants aware of the availability of financial assistance under the MMHR Program. The LPA will develop and distribute informational materials to market program availability and explain program requirements. The LPA shall maintain all documents demonstrating outreach activities and be prepared to provide to OCR for monitoring.

2. Conflicts of Interest

LPAs must have a conflict-of-interest policy that applies to any person who is an employee, agent, consultant, subcontractor, officer, or elected official or appointed official of the State, the LPA, or unit of general local government or any designated public agencies. The LPA is responsible for determining if a conflict of interest exists or may exist and reporting it to OCR staff as necessary. An appropriate conflict of interest policy will be required as part of the application process. The policy may require adjustment prior to grant execution if it does not include all the elements required for the MMHR Program. In the event of an irreconcilable dispute between the participant and contractor, the LPA must document that its Dispute Resolution Plan was followed, and evaluative measures were taken to substantiate the project was satisfactorily completed prior to filing the Note and Mortgage.

2. a.) Applicability

The procurement of supplies, equipment, construction, and services by the State, units of local general governments, and LPAs, and such cases include the emergency repair of real property and the provision of assistance with MMHR Program funds by the LPA, to individuals, businesses and other private entities.

2. b.) Conflicts Prohibited

Except for eligible administrative or personnel costs, the general rule is that, unless prior written approval is obtained from OCR, no covered person who exercises or has exercised any functions or responsibilities with respect to MMHR Program activities or who are in a position to participate in a decision making process or gain inside information with regard to

such activities, may obtain a financial interest or benefit from the activity, or have an interest or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds there under, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. Further, no officer, employee, agent, or consultant of a covered person or entity may occupy a unit assisted by the MMHR Program.

LPAs will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the grantee or subgrantee shall participate in selection, or in the award or administration of a contract supported by State funds if a conflict of interest, real or apparent, may be involved. Such a conflict would arise when:

- (i) The employee, officer, or agent of the grantee, or subgrantee; and
- (ii) Any member of their immediate family defined as a spouse, domestic partner, son, daughter, stepson, stepdaughter, father, mother, stepfather, stepmother, brother, sister, grandfather, grandmother, grandson, granddaughter, father-in-law, mother-in-law, son-in-law or daughter-in-law, or
- (iii) An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award.

The LPA's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements. LPAs may set minimum rules where the financial interest is not substantial, or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or local law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the LPA's officers, employees, or agents, or by contractors or their agents. The awarding agency may in regulation provide additional prohibitions relative to real, apparent, or potential conflicts of interest.

Environmental Review/SEQR

MMHR Program awards are subject to the requirements of the State Environmental Quality Review Act (SEQRA) at 6 NYCRR Part 617. Documentation of compliance will occur at two stages: upfront programmatic clearance and site-specific clearance as sites are selected by the LPA:

1. Programmatic Clearance

The Programmatic Environmental Review is completed to review the general activities and service area and identify potential hazards and compliance requirements. HTFC's Environmental Analysis Unit (EAU) will prepare a Programmatic Environmental Review and issue a SEQR Type II Determination Letter. LPAs may not begin individual project work until the Type II letter is issued.

2. Site-Specific Clearance

As sites are chosen, a "Site Specific Certification and Appendix A" must be completed, signed, and submitted to OCR staff to initiate site-specific clearance. This certification checklist will identify and document any issues that must be resolved and address any environmental issues that might impact individual sites in your program. A PDF fillable Site Specific Certification, along with instructions on how to complete the certification checklist, are available for viewing and printing here: <https://hcr.ny.gov/mobile-manufactured-home-replacement-program-mmhr#forms---documents>.

The Site-Specific Certification and Appendix A must be completed and submitted to OCR staff prior to any work on each site. EAU may need to review and approve work in

circumstances such as:

- Substantial improvement in a flood zone
- Work on a building determined by SHPO to have historic or cultural significance
- Ground disturbance
- Zoning changes
- If the work constitutes a SEQR Unlisted action

The Certification must be submitted even if there are no “Circumstances” that warrant further review.

An Environmental Compliance Handbook, which provides step-by-step environmental instructions, is available here: <https://hcr.ny.gov/mmhr-environmental-compliance-handbook-0>.

Federal sources, such as HOME or CDBG, can be leveraged with MMHR Program funds, however not all Environmental Review documentation is applicable to the MMHR Program:

The amount of other funding sources must be included on the Project Set Up Form for each project where leveraged funding will be utilized.

If leveraging HOME funds: Tier II Environmental Reviews approved by HTFC EAU **are** accepted to complete the MMHR site-specific Environmental Review process and additional MMHR Environmental Review documentation will not be necessary.

If leveraging CDBG funds: OCR is not the responsible entity in regard to CDBG Environmental Review and that documentation is **not** accepted. LPAs intending to leverage CDBG funds will be expected to complete the CDBG Environmental Process with the awarded units of local government, as well as submit separate MMHR Environmental Review documentation.

If an LPA chooses to leverage federal dollars with MMHR Program funds for a project, it is the responsibility of the LPA to ensure compliance with all federal regulations and requirements

Contractor Procedures

1. Equal Employment Opportunity/Minority & Women Owned Business

Recipients are required to comply with Articles 15 A and 17 B of the New York State Executive Law. These requirements include equal employment opportunities for minority group members and women (“EEO”), and contracting opportunities for certified minority and women owned business enterprises (“MWBEs”) and Service-Disabled Veteran Owned Businesses (“SDVOBs”). Recipient’s demonstration of “good faith efforts” pursuant to 5 NYCRR §142.8 shall be a part of these requirements.

The Recipient will promote and assist the participation of certified MWBEs and SDVOBs as outlined and in accordance with Participation by Minority Group Members, Women and Service-Disabled Veterans with Respect to State Contracts: Requirements and Procedures attached to the grant agreement with Housing Trust Fund Corporation.

Please visit NYS Empire State Development’s Division of Minority & Women Business Development website for a directory of certified Minority and Women-Owned Businesses: <http://www.esd.ny.gov/MWBE.html>.

2. Contractor Selection & Monitoring

The LPA must establish and implement a consistent process to procure contractors for the

term of the Grant Agreement. In all cases, the procurement process must be free of collusion or intimidation, and the LPA must exercise appropriate oversight to ensure that it is fair, efficient, and free of actual and perceived conflicts of interest.

2.a.) General Requirements

- Collect and maintain all documentation needed from the contractor to verify that they are insured, and meet local requirements, codes, rules and/or regulations for contractors.
- If pre-1978 property with a scope that includes paint disturbance, the work must be conducted by an EPA Renovation, Repair and Painting (RRP) Rule Certified Renovator. Determination of applicability should be documented. Certificates should be retained in program files. More information can be found here: <https://www.epa.gov/lead/lead-renovation-repair-and-painting-program>.
- Proposals must be solicited from an adequate number of qualified contractors to permit reasonable competition consistent with the nature and requirements of the procurement.
- The LPA may establish bid selection criteria that consider cost and other factors. These criteria must be included in a written contractor selection procedure prior to initiating the bid solicitation process. Complete internal cost estimates for each work scope for reasonableness comparison. Compare all proposals to internal cost estimate.
- A written agreement or contract must be executed with the selected contractor to describe the cost, agreed upon scope of work, time frames for start and completion, payment terms, change order policy, and required insurance coverage.

2.b.) Obtaining Bids by Project

To obtain bids by project, the LPA must issue a request for contractor bids for each project detailing the work required to correct emergency conditions and code violations. A clear, written, scope of work for the project must be the basis for the bids or proposals.

- Upon the determination of the project's eligibility for program assistance and that environmental compliance is achieved, the LPA should proceed with contractor bidding and selection.
- Proposals must be solicited from an adequate number of qualified sources to permit reasonable competition consistent with the nature and requirements of the procurement. At minimum, two bids must be received for each project to establish the reasonableness of costs.
- Document solicitation process using bid tabulation.
- Complete internal cost estimates for each work scope for reasonableness comparison. Compare all proposals to internal cost estimate.
- An award may be made to the responsible bidder whose proposal will be most advantageous with price and other factors considered.
- The use of in-house crews is permitted in limited circumstances. "Limited circumstances" meaning where the LPA in-house crew has specific expertise and corresponding certifications to address a repair (such as lead-based paint or mold remediation); or where a repair bid solicitation receives no responses from local contractors. OCR preapproval is required.

3. Construction Monitoring

The LPA must also establish a standard practice for monitoring contractors for adherence to deadlines and quality of workmanship.

This should include at a minimum:

- Verification of work performed prior to payment; and

- Final inspection prior to the release of final payment to ensure that the entire scope has been completed and the owner will sign off.

Financial Management

MMHR Program recipients must follow these instructions to report on project activity and to receive disbursements of funds. LPAs should also refer to the MMHR Program Agreement and direct all questions to OCR staff before undertaking activities where there are questions or concerns. Failure to follow these instructions in the administration of an MMHR Program award may result in the repayment, recapture, or de-obligation of funds awarded for this purpose and may adversely impact the future eligibility of an LPA to receive these or other program funds awarded by HTFC.

NOTE: All forms required for the MMHR Program are available on the HCR website, here: <https://hcr.ny.gov/mobile-manufactured-home-replacement-program-mmhr>.

1. Program Budget

The Program Budget is approved prior to execution of the program agreement and is included as an attachment to the agreement (Schedule A). It is enforceable along with all program agreement provisions.

2. Financial Set-Up

The LPA is responsible for establishing an account for the receipt and disbursement of the MMHR funds. Funds will be transferred directly into the LPAs designated account through an Automated Clearing House (ACH) procedure.

Two financial forms must be submitted prior to the start of the program agreement:

- An Authorized Signatory Form; and
- A Direct Deposit Form.

An Authorized Signatory Form for Request for Funds form must be completed prior to the start of all program agreements, and at any time an employee is added or removed as a signatory.

Recipients must send signed copies of each Authorized Signatory Form and Depository Designation Form to OCR staff. LPAs are encouraged to submit signed, legible copies scanned into PDF and e-mailed to expedite processing and disbursement. Recipients are **not** required to submit an original hard copy of these forms to OCR staff.

LPAs must submit to the following email address with the initial Program Agreement, or any time revisions are required: OCRInfo@hcr.ny.gov

Project Set Up/Disbursement

1. Project Set Up

A Project Set Up Form must be submitted to OCR staff for each project before the LPA commences work on the unit and before any request for disbursement is submitted. The Project Set Up Form allows OCR staff to confirm eligibility of costs and activities and formally commit MMHR Program funds for a project site.

The Form must be accompanied by:

- The Environmental Checklist completed and attached.
- Written scope of work.
- Photograph of front elevation view of unit; and

- BEFORE pictures of all work to be performed with MMHR Program funding.

Work may not commence until the Project Set Up Form is approved by OCR staff. The Project Set Up Form should only be submitted after the LPA has executed a written agreement with the property owner to do the specific work.

The data gathered from the Project Set Up Form allows HTFC to monitor the program status and to report to the Legislature on program accomplishments. The LPA is responsible for submitting accurate Project Set Up Forms to OCR staff.

2. Disbursements

All payments will be on a reimbursement basis for costs that have been incurred. There are no advances of program funds. LPAs may request funds after the project work is completed.

To receive reimbursement, the LPA will submit a Disbursement Request. Each Disbursement Request must include the following:

- Disbursement Request Form signed by an Authorized Signatory on file with OCR;
- Administrative Funds Detail Sheet if applicable invoices for staff time and OTPS.
- Project Detail Sheet that provides project-specific information on costs and activities. This form must specifically detail the work that has been completed.
- Supporting documentation for all project expenses, including invoices and receipts; and
- Proof of Payment

By signing and submitting the Disbursement Request Form, the LPA is certifying that the work was done satisfactorily and is in accordance with applicable program rules and local laws.

Copies of work write-ups, staffing records, invoices for materials and labor, cancelled checks and any LPA inspection reports of the completed work must be maintained in LPA files for periodic inspection by OCR staff.

Disbursement Requests must be e-mailed to: OCRInfo@hcr.ny.gov with a cc: to OCR staff.

HTFC will make payments to LPAs through an automated deposit system. While the timing of payments cannot be guaranteed, generally this process can be accomplished - from receipt of a complete and accurate LPA payment request to payment - within 10-20 business days.

The LPA must work with OCR staff to determine the appropriate disbursement schedule to effectively administer the MMHR Program.

Proof of payment to the contractor, vendor, and/or consultant should be provided with the disbursement request. Proof of payment must be provided within 45 days of the disbursement request submission.

Funds received by the LPA must be disbursed to the contractor or vendor within five business days of the electronic transfer.

3. Project Completion

The Project Completion Form must be submitted within seven days of completion of each project. Project Completion Forms may be submitted as part of a final disbursement.

The submission must include:

- The Completion Form.
- Final Disbursement materials, if applicable; and
- After Photographs (front elevation and all repairs done).
 - Digital photographs in .JPEG or .PDF format are preferred.

The Completion Form, along with final disbursement documentation, must be sent electronically to OCRInfo@hcr.ny.gov.

The street address of the unit must be in the Subject Line of the e-mail.

- The body of the e-mail must include the LPA's name and the MMHR Program SHARS ID number.

Ongoing Maintenance

Units that are replaced using MMHR Program funds are subject to use restrictions of a Note and Mortgage for ten (10) years. LPAs are responsible for ensuring that the requirements of the Note and Mortgage are met.

1. Note and Mortgage

Assistance to homeowners will be in the form of a Deferred Payment Loan (DPL). A ten (10) year declining balance lien in the form of a Note and Mortgage, duly filed at the County Clerk's office, will be utilized for replacement projects. No interest or payments will be required on the DPL unless the property is sold or transferred before the ten (10) year term expires. In such cases funds will be recaptured from the proceeds of the sale of the home on a declining balance basis unless an income-eligible family member accepts ownership and resides in the home for the remainder of the ten (10) year term.

The LPA will monitor projects assisted during the ten-year term and maintain appropriate project files throughout the compliance period. The LPA must make project files available for review upon request by HTFC or HCR.

The LPA shall require every owner of an assisted property, including life tenants, and their remainderman, to execute a Note and Mortgage, in the form provided by the Corporation, to be filed in the County Clerk's Office for the county in which the assisted property is located.

The Note and Mortgage must be filed immediately upon completion of program activities and after final sign off by the participant, the contractor and LPA stating that all work has been completed to satisfaction and documented to meet NYS and/or Local Code.

The Note and Mortgage acknowledges that the unit was improved using MMHR Program funds provided to the LPA from HTFC and states that, during the ten (10) year regulatory period, the owner will:

- Maintain the unit in good operating order and condition.
- Not sell, move, lease, demolish, or materially alter the property without the prior written consent of the LPA; and
- If the home is sold or the participant no longer resides as a principal resident, the pro-rated portion of the loan must be repaid to HTFC.

The maintenance term, or regulatory period, must be calculated from the date the Note and Mortgage is signed and notarized. The LPA must use this date to calculate the termination date specified on the Note and Mortgage.

Within the ten (10) year regulatory period, the home may not sold, moved, leased, demolished, or materially altered, without the prior written consent of the LPA. If there is more than one Owner each will be held separately liable, and will include their heirs, administrators, successors and permitted assignees. In the event of non-compliance, or if the property is transferred, or its title or deed assigned during the Regulatory Period, including in the event of the death of the Owner, or the Note and Mortgage is otherwise breached, MMHR funds must be repaid on a pro-rated basis over the ten (10) years.

2. Subordination of the Note and Mortgage

A property owner who received MMHR Program funds may request an agreement to subordinate the Note and Mortgage for the purposes of refinancing their existing mortgage during the residency requirement period. The request must be approved by the LPA and then forwarded by the LPA to HTFC for review.

The LPA request must contain the following information:

- LPA name, SHARS ID number.
- Participant name and address where MMHR Program funds were utilized.
- Total amount of MMHR Program funds utilized for the project; and
- Explanation for subordination need.

HTFC may approve refinances only under the following limited circumstances:

- a) Lower interest rate (no cash out permitted) on a first mortgage.
- b) Pay for major home renovation.
- c) Pay for major medical expenses.
- d) Death and burial of elderly spouse; or
- e) Pay for educational expenses.

Conditions for all circumstances must be well documented. With respect to refinancing, caution must be used. The LPA should document timely mortgage payments, a clear reduction in interest rate or mortgage term or both, and verification that the refinance will not result in cash to the borrower. The LPA should consider referring the homeowner to a local certified housing counseling agency for budgeting and other loan related education if the LPA does not have the capacity to provide education to the homeowner directly.

V. CONTRACT COMPLETION, MONITORING, & COMPLIANCE

Contract Completion

Within 30 calendar days from a Program Agreement end date, the LPA must submit all required MMHR Program documents, including final disbursement requests, to OCR staff.

Upon completion of the contract, the LPA will receive a closeout letter from OCR staff. The closeout letter will identify each unit assisted with MMHR Program funds under this contract. The letter will also state the LPA did or did not expend all MMHR Program funds. If all funds were not expended by the contract end date, the closeout letter will state the balance off MMHR Program funds to be de-obligated by OCR. The LPA must review the closeout letter and, if the LPA concurs, sign the letter, and return it to OCR staff.

If the LPA disagrees with the units assisted or amount of funds de-obligated the LPA should immediately contact OCR staff to resolve the dispute.

Records & Record Retention

Supporting documentation will be maintained by the LPA in the project files and will include the following:

- Completed "Project File Checklist"
- Source of Referral (if applicable)
- Participant Application
- Documentation of Ownership of Unit and Land
- Verification of Primary Residence
- Household Size (number of persons)
- Income Verification and Calculation (SSI, paystubs, W2 Tax Form, etc.)
- Verification Current on all Property Taxes
- Award Letter from LPA to Participant
- Documentation Unit is Free from Liens/Financial Obligations that would Prohibit Demolition
- Original inspection, work specifications & cost estimates
- Bid documentation
- Contracts between the participant and the LPA, contracts between the participant and the contractor
- Documentation on historic preservation issues, lead-based paint, and environmental conditions and clearances, as applicable
- Signed Note and Mortgage with property owner(s) (deferred loan terms and conditional repayment agreement)
- Inspection reports and period of work performance
- Contractor invoices & documentation of payment
- Pre- and post-photographs of the modifications, as specified above
- Copy of recipient sign-off of completed work
- Copy of any warranties on equipment installed
- ALL correspondence between the LPA and OCR

The LPA must collect and maintain documentation that establishes the eligibility of every applicant selected to participate in the program, and justification for each project selection decision. The LPA must advise applicants in writing of the status of an application within thirty (30) days of a completed application and determination of eligibility.

LPAs are responsible for maintaining complete project files for a retention period of seven (7) years from Closeout.

Monitoring

Program progress will be monitored by OCR staff by desk reviews and site visits. LPAs will be contacted and notified in writing in advance of all scheduled site visits, desk reviews, or other program reviews.

OCR reserves the right to require files to be submitted for desk reviews, or to conduct onsite reviews. Project files may be subject to examination at any time by HCR whether as part of a scheduled site visit, desk audit, or any other MMHR Program review. The review of files can include though is not limited to:

- Completed “Project File Checklist”
- Participant application (documentation of eligibility).
- Household Size & income eligibility verification (SSI, pay stubs).
- Verification of homeowner’s insurance.
- Verification of current taxes.
- Pre-construction Inspection.
- Service Provider/Referral Agreement(s).
- Work write-up/specifications.
- Lead-Based Paint (LBP), if pre-1978: -- disclosure, Renovator use, clearance.
- Cost estimate.
- Contractor bid package/proposals.
- Construction Documents (contract, insurance, permits, affidavit/waivers of lien).
- Contractor invoice(s)/vouchers.
- Evidence of contractor disbursement.
- MMHR Program Project Detail Sheet.
- Pictures (front elevation, before & after).
- Note and Mortgage.

1. Technical Assistance

All award recipients are strongly encouraged to participate in the MMHR Program Implementation Technical Assistance (TA) Webinar. This is an opportunity for new recipients to become familiar with day-to-day management and program oversight responsibilities, and previous recipients to learn of administrative changes. An archive of the TA Webinar will be posted on HCR’s website.

LPA’s may also request an individual technical assistance session with OCR staff at any time during the Program Agreement by emailing OCRInfo@hcr.ny.gov.

Compliance Findings

An LPA may be in non-compliance for a variety of reasons including, but not limited to:

- Lack of performance, including failure to meet goals agreed to in the executed Program Agreement.
- Misuse of program funds.
- Broader financial/audit issues within the company.
- Failure to submit required program documents in a timely fashion.
- In default or poor standing with other HCR programs; or
- Failure to comply with rules and regulations as outlined in this manual, in statute,

or in the program agreement.

Any LPA that is in non-compliance will be placed in default. OCR will issue a default letter within ten (10) calendar days after the company is found to be in non-compliance.

The LPA will normally have fifteen (15) calendar days to cure the default. OCR reserves the right to authorize other cure periods as deemed appropriate.

If the LPA submits the information within the cure period, the default will not be released until OCR has reviewed the submission and determined that the default has been resolved.

If the LPA fails to submit the information within the cure period or submits an incomplete or unsatisfactory reply to the default, OCR will terminate the Program Agreement. Termination of the Program Agreement may include recapture and/or de-obligation of program funds.

1. Recapture of Funds

OCR may recapture and/or de-obligate funds from the LPA for a violation of program rules, because of a program default, or in the event of a terminated program agreement. In the event of a violation of program rules by program participants, the LPA is required to recapture MMHR Program funds and return the funds to HTFC. OCR may require the LPA to recapture funds for program violations including, but not limited to:

- Change in residency of homeowners assisted with MMHR Program funds.
- Providing activities ineligible for MMHR Program funding.
- Excess project costs and/or improper use of project cost funds.
- Failure to meet project timelines.
- Failure to submit reports or other required documents to OCR in a timely fashion.
- Improper or inadequate documentation of projects.
- Inadequate records retention for the full seven (7) years; and
- Failure to adequately monitor residency requirements for the ten (10) year regulatory period.

Funds recaptured from specific projects are for the full amount of MMHR Program funds used for the building. OCR may withhold delivery of future funds for program violations until such time as they are corrected in accordance with MMHR requirements and to the satisfaction of OCR.

Funds must be returned with the HTFC HCR Returned Funds Coversheet and a brief letter explaining the purpose including program name, SHARS Identification Number, and the participant's name and address. The HTFC HCR Returned Funds Coversheet is available on the HCR website here: <https://hcr.ny.gov/mobile-manufactured-home-replacement-program-mmhr>.

VI. FUNDING OVERVIEW SUMMARY TABLE

Program Year	Funding Limits	Administrative Funding	Project Delivery	AMI Limit	Building Maximum	Regulatory Period
<i>2016</i>	<i>\$500,000</i>	<i>7.5%</i>	<i>10%</i>	<i>80%</i>	<i>\$100,000</i>	<i>10 Years</i>
<i>2018</i>	<i>\$500,000</i>	<i>7.5%</i>	<i>10%</i>	<i>80%</i>	<i>\$100,000</i>	<i>10 Years</i>
<i>2020</i>	<i>\$500,000</i>	<i>7.5%</i>	<i>10%</i>	<i>80%</i>	<i>\$100,000</i>	<i>10 Years</i>
<i>2021</i>	<i>\$500,000</i>	<i>7.5%</i>	<i>10%</i>	<i>80%</i>	<i>\$100,000</i>	<i>10 Years</i>
<i>2022</i>	<i>\$500,000</i>	<i>7.5%</i>	<i>10%</i>	<i>80%</i>	<i>\$100,000</i>	<i>10 Years</i>