

Mobile Home Park Optional Relocation Policy

December 16, 2013

Amended February 20, 2014

Re: Applicable for mobile home parks that the City plans to acquire

As a result of the September 12, 2013 flood event, City Council directed staff to enter into negotiations with the Royal Mobile Home Park owners to purchase the park. The intention of the City of Longmont is to remove the mobile home park and use the park land for flood mitigation work. Local funds will be used for the land acquisition. Once the City of Longmont owns the park, the month-to-month leases for the remaining residents will not be renewed. At this time the City is not in negotiations to purchase any other mobile home parks. This policy applies only to mobile home parks where the city is acquiring or intends to acquire land for flood mitigation work.

When determined to meet an urgent community need under 24 CFR 570.208(c), CDBG funds will be used for the relocation of an owner of a mobile home legally residing at a Mobile Home Park that the City is purchasing for flood mitigation. Such relocation has been determined to be an appropriate use of CDBG funds in accordance with 24 CFR part 570.201(i)(2).

Since federal funds will not be used for the acquisition, rehabilitation or demolition of the mobile homes or the Mobile Home Park, the Federal Uniform Relocation Act is not applicable. The City is choosing to provide Optional Relocation Assistance under 24 CFR, part 570.606 (d). The City will use CDBG funds for those mobile home owners who will be permanently displaced from a Mobile Home Park that the City is purchasing for flood mitigation and will follow this Optional Relocation Policy.

Prior to awarding any CDBG funding under the Optional Relocation Policy, City Staff will determine whether a homeowner is eligible for assistance based on the applicant's verifiable relocation costs. In order to assure the applicant does not receive a duplication of benefits from other federal, state, local or private funding sources. Staff will require the applicant to supply the City with written verification of all benefits received for the purpose of relocation of the mobile home.

Application and benefit determination process:

Applicant must be able to verify legal residency in the United States of all owners of the mobile home. Applicant must have been legally residing at the Mobile Home Park at the time of the Sept. 12 flood event.

Applicant must be current with rent payments to the City of Longmont.

Applicant must have registered with FEMA.

Applicant must apply for relocation funds by June 30, 2014 with the City of Longmont by providing:

- Application and site occupant record;
- Verification of mobile home ownership;
- Evidence that property taxes are paid and current;
- FEMA letter of determination;

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- Insurance determination, when applicable;
- SBA documentation;
- Documentation of other income received for relocation (from non-profits, churches, etc.); and

Eligible Relocation/Moving Expenses:

- Moving costs of personal property as established by the Department of Transportation Federal Highway Administration (FHWA) fixed move cost schedule, and
- Security and/or utility deposits at a new residence within 50 miles of Longmont and one of the following:
 - Rental costs for a decent, safe and sanitary (dss) comparable rental housing unit, which will meet housing quality standards as verified with a HQS inspection by City Staff
 - Purchase assistance for either a new mobile home or a stick built home, which will meet housing quality standards as verified with a HQS inspection by City Staff. New home must be within 50 miles of Longmont.
 - Moving costs as determined by the current FHWA fixed residential moving cost schedule (most recent version shown below).

An exception to the relocation within 50 miles of Longmont requirement may be made if the City can locate a qualified agent to perform the required HQS inspection for the new residence.

Maximum optional relocation benefits:

- Moving costs: The current FHWA fixed residential moving cost schedule (2012) will be used to assist households with moving costs for personal property moved separately from the mobile home. Assistance will be provided as follows:

| Number of Rooms of Furniture | | | | | |
|------------------------------|---------|---------|---------|---------|---------|
| 1 room | 2 rooms | 3 rooms | 4 rooms | 5 rooms | 6 rooms |
| \$600 | \$800 | \$1,000 | \$1,150 | \$1,300 | \$1,450 |

- Security deposits: The actual costs for credit checks and security deposits, not to exceed two times the actual monthly rent.
- Utility fees: The actual costs for gas, electric, land line telephone, and internet service hook-ups, not to exceed a total of \$400.
- Rental Assistance: An eligible displaced person who rents a replacement dwelling or a new mobile home pad is eligible for a payment not to exceed \$9,500 for rental assistance. The payment will be calculated as follows: Actual market rent, up to an amount not to exceed the 2014 Fair Market Rent for a two-bedroom unit of \$1,178, minus the housing cost that the owner was paying for the pad at the flooded Mobile Home Park, times 12 months. (Housing cost includes both pad rent and any mortgage payment.)
- Purchase assistance: A maximum amount of \$9,500 toward the purchase of a replacement mobile home or stick built home. If a stick built home is purchased, the City's Down Payment

Assistance Program may be used instead of this assistance, whichever provides the greater benefit. Purchased housing units must remain owner occupied for a period of one year. Housing units occupied by tenants within three months of the execution of a purchase offer are typically not eligible for assistance.

- Mobile home moves: The actual costs, not to exceed \$6,000, to move the existing mobile home from the flooded Mobile Home Park to a different mobile home park.

Payment methods:

The funds may be disbursed as follows:

- As quarterly payments to the replacement mobile home owner/landlord or mortgage company for applicable rent or mortgage payments.
- As a single payment from the City of Longmont directly to the lender at the time of closing when the funds are used for down payment assistance for a real estate acquisition.

If two or more eligible owners of the same mobile home move to separate replacement dwelling units, each occupant is entitled to a reasonable prorated share of the one calculated household assistance, as determined by the City of Longmont Staff.

Internal process:

A file will be set-up for each applicant to include:

- Application
- FEMA letter of determination
- Evidence of insurance claim payments
- Evidence of mobile home ownership (Mobile Home Title)
- Evidence of paid taxes
- Evidence of the lease termination from the Mobile Home Park owners
- Disaster recovery relocation budget
- Copy of the check(s)

A 2013 CDBG Mobile Home Park Optional Relocation Project will be set-up in IDIS and PAL for documentation and reporting. The National objective is LMI, 51% of the households receiving an optional relocation grant must be income eligible. City of Longmont staff will track the household income of every beneficiary in order to report who received benefits in IDIS and assure that at least 51% of the households have income equal to or less than 80% AMI.

Approved:



City Manager

Date 2-20-14