



THE CITY OF
NOVATO
CALIFORNIA

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STAFF REPORT

MEETING

DATE: August 28, 2018

TO: City Council

FROM: Peggy Flynn, Assistant City Manager
Veronica Nebb, Assistant City Attorney

SUBJECT: **ADOPT A RESOLUTION FORMALLY APPROVING THE MARIN VALLEY MOBILE COUNTRY CLUB (MVMCC) RENT DEFERRAL PROGRAM DOCUMENTS, AUTHORIZE THE CITY MANAGER TO ENTER INTO A THREE-YEAR CONTRACT WITH HELLO HOUSING TO ADMINISTER THE PROGRAM, APPROVE AN AMENDMENT TO THE MVMCC BUDGET, AND APPROPRIATE AND AUTHORIZE THE EXPENDITURE OF UP TO \$25,000 FOR THE FIRST YEAR, AND \$17,500 FOR THE SECOND AND THIRD YEAR, TO BE PAID HALF FROM THE CITY AFFORDABLE HOUSING FUND AND HALF FROM MVMCC**

REQUEST

Adopt a resolution formally approving the Marin Valley Mobile Country Club (MVMCC) Rent Deferral Program documents, authorizing the City Manager to enter into a three-year contract with Hello Housing to administer the program, approving an amendment to the MVMCC budget, and appropriating and authorizing the expenditure of up to \$25,000 for the first year, and \$17,500 for the second and third year, to be paid half from the City affordable housing fund and half from MVMCC.

DISCUSSION

Last year, Council conceptually approved the development of a program to defer rent for extremely low-income MVMCC residents to avoid displacement. Staff proposed the program would be managed through Hello Housing—the contracted administrator for the City’s Affordable Housing Program.

Due to change over in staffing, the implementation of this program was delayed. Staff has been working with Hello Housing and Park management to develop guidelines and program documents.

The Program would assist qualified residents by providing a deferral of a portion of rent, up to \$150/month per household, for up to fifteen eligible households, and for an annual maximum rent deferral amount of \$22,000 for the entirety of the park. The program would require annual recertification of the resident for eligibility. Attached (Attachment 1) is a full copy of the Program guidelines containing the eligibility criteria.

Participants in the Program would enter into a program agreement which would memorialize the rent deferral and provide that all deferred rent would be paid upon the termination of tenancy of the resident or the sale or transfer of the resident's mobilehome. The program agreement would also provide that deferred rent would become a lien against the mobilehome. Thus, the deferred rent would ultimately be repaid, without interest, at the time that the participant ceased to be a resident and the mobilehome was transferred or removed from the Park. The final program agreement and lien documents will be in a form approved by the City Attorney and Assistant City Manager. The attached resolution delegates authority to Hello Housing to execute the approved final program agreement and all required lien forms.

The proposed contract (Attachment 2) with Hello Housing is in the standard City form. The three-year contract provides for Hello Housing to hold workshops for residents to explain program eligibility and process for applying, to receive and evaluate applications, approve eligible applicants, and execute the program documents. Additionally, Hello Housing will monitor the program and report regularly to staff the status of the program, including how close we are reaching the annual deferral cap. Staff has based the amount of the contract on an estimated number of applicants and ongoing management of the program.

FISCAL IMPACT

This three-year contract totals \$60,000: \$25,000 for FY2018-19, \$17,500 for FY2019-20, and \$17,500 and FY2020-21. The contract cost will be shared by MVMCC and the City-- half of which will be paid by MVMCC and the other half will be paid out of the City's Affordable Housing Fund. The Resolution (Attachment 3) provides for a budget adjustment to the MVMCC budget and an appropriation from the City's Affordable Housing Fund #210.40.125-600.199 to cover the costs of said contract.

RECOMMENDATION

Adopt a resolution formally approving the Marin Valley Mobile Country Club (MVMCC) Rent Deferral Program documents, authorize the City Manager to enter into a three-year contract with Hello Housing to administer the program, approve an amendment to the MVMCC budget, and appropriate and authorize the expenditure of up to \$25,000 for the first year, and \$17,500 for the second and third year, to be paid half from the City affordable housing fund and half from MVMCC.

ATTACHMENTS

1. Resolution with Exhibit A (Consultant Services Agreement)
2. Rent Deferral Program guidelines

CITY COUNCIL OF THE CITY OF NOVATO

RESOLUTION NO.

A RESOLUTION FORMALLY APPROVING THE MARIN VALLEY MOBILE COUNTRY CLUB (MVMCC) RENT DEFERRAL PROGRAM DOCUMENTS, AUTHORIZE THE CITY MANAGER TO ENTER INTO A THREE-YEAR CONTRACT WITH HELLO HOUSING TO ADMINISTER THE PROGRAM, APPROVE AN AMENDMENT TO THE MVMCC BUDGET, AND APPROPRIATE AND AUTHORIZE THE EXPENDITURE OF UP TO \$25,000 FOR THE FIRST YEAR, AND \$17,500 FOR THE SECOND AND THIRD YEAR, TO BE PAID HALF FROM THE CITY AFFORDABLE HOUSING FUND AND HALF FROM MVMCC

WHEREAS, the Council directed staff to develop of a program (“Program”) to defer rent extremely low-income MVMCC residents with rental payments to avoid displacement. Staff proposed the program would be managed through Hello Housing—the contracted administrator for the City’s Affordable Housing Program; and

WHEREAS, the Program would assist qualified residents by providing a deferral of a portion of rent, up to \$150/month per household, for up to fifteen eligible households, and for an annual maximum rent deferral amount of \$22,000 for the entirety of the park. The Program would require annual recertification of the resident for eligibility.

WHEREAS, participants in the Program would enter into a program agreement which would memorialize the rent deferral and provide that all deferred rent would be paid upon the termination of tenancy of the resident or the sale or transfer of the resident’s mobilehome. The program agreement would also provide that deferred rent would become a lien against the mobilehome. Thus, the deferred rent would ultimately be repaid, without interest, at the time that the participant ceased to be a resident and the mobilehome was transferred or removed from the Park.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Novato hereby approves the Marin Valley Mobile Country Club rent deferral program with the final program agreement and lien documents to be in a form approved by the City Attorney and Assistant City Manager, delegates to Hello Housing the authority to execute the approved final program agreement and all required lien forms, authorizes the City Manager to enter into a contract with Hello Housing, as set forth in Exhibit A, to administer same, approves an amendment to the MVMCC budget for \$12,500 for the half of the cost for the first year, and \$8,750 for years two and three, and appropriates and authorizes the expenditure of \$12,500 from the City affordable housing fund to cover half of the cost of such contract services for the first year, and \$8,750 to be set aside from the City’s affordable housing fund for the next two fiscal years.

* * * * *

I HEREBY CERTIFY that the foregoing resolution was duly and regularly adopted by the City Council of the City of Novato, Marin County, California, at a meeting thereof, held on the 28th day of August, 2018, by the following vote, to wit:

AYES: Councilmembers
NOES: Councilmembers
ABSTAIN: Councilmembers
ABSENT: Councilmembers

Terrie Gillen, City Clerk of the City of Novato

Approved as to form:

City Attorney of the City of Novato

DRAFT

Exhibit A

CONSULTANT SERVICES AGREEMENT

THIS AGREEMENT is entered into as of the ____ day of ____, 2018, by and between the CITY OF NOVATO, a municipal corporation (hereinafter referred to as "City") and HELLO HOUSING. (hereinafter referred to as "Consultant").

WHEREAS, City desires to obtain professional services in connection with management of the City's affordable housing assets.

WHEREAS, Consultant hereby warrants to the City that Consultant is skilled and able to competently provide such services described in Section 1 of this Agreement; and

WHEREAS, City desires to retain Consultant pursuant to this Agreement to provide the services described in Section 1 of this Agreement.

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS:

Section 1. Scope of Services. Subject to such policy direction and approvals as the City through its staff may determine from time to time, Consultant shall perform the services set out in the "Scope of Services" attached hereto as Exhibit A and incorporated herein by reference. Consultant shall not commence any work exceeding the Scope of Services without prior written authorization from City.

Section 2. Time of Performance.

Subsections 2.A. and 2.B. are in the alternative. For purposes of this Agreement, Subsection 2.A. [X]

2.B. [] applies. (Check ONE box only.)

A. [Non Cost-Covered Services] The services of Consultant are to commence upon the execution of this Agreement and shall be undertaken and completed within the time limits set forth in Exhibit A. Such time limits may be amended by mutual agreement between the City and Consultant.

B. [Cost-Covered Services] Execution of this Agreement does not constitute authorization to proceed with the work described in the Scope of Services. Consultant shall not begin the work described in Exhibit A until after the City has issued a written Notice to Start Work, following verification by City staff that the project sponsor has deposited with the City adequate funds to pay for completion of the work described in Exhibit A. City and Consultant understand that it is the City's policy for routine projects to obtain full payment from development applicants prior to execution of any consultant services agreements relating to the processing of development applications. In unusual circumstances (such as large, complex projects and projects where the City is serving as the applicant), City may allow deposit of processing costs in phases. In such cases, Consultant shall not begin work on any of the tasks described in Exhibit A until after the City has issued a written Notice to Start Work for that particular task. Each Notice to Start Work will specify the task authorized to be undertaken and will be issued only following verification by the City that the project sponsor has deposited with the City (or the City has budgeted) adequate

funds to pay for the completion of the authorized task. For all projects, following issuance of a Notice to Start Work, the services of Consultant shall be undertaken and completed within applicable time limits set forth in Exhibit A. Such time limits may be amended by mutual agreement between the City and Consultant. Consultant shall not commence any work exceeding the Scope of Services without prior written authorization from City.

Section 3. Compensation and Method of Payment.

A. Compensation. Consultant shall charge for services performed in accordance with the compensation schedule incorporated in Exhibit A, not to exceed a total amount of **\$ 25,000** (subject to adjustment as appropriate).

B. Method of Payment.

Subsections 3.B.(1) and 3.B.(2) are in the alternative. For purposes of this Agreement, Subsection 3.B.(1)

[X] 3.B.(2) [] applies. (Check ONE box only.)

(1) Monthly Statements. [Contract Planners, etc.] As a condition precedent to any payment to Consultant under this Agreement, Consultant shall submit monthly to the City a statement of account which clearly describes the work for which the billing is submitted.

(2) Statements Following Completion of Work Tasks. As a condition precedent to any payment under this Agreement, Consultant shall submit to the City a detailed statement of account which clearly sets forth the designated work tasks for which the billing is submitted. Payments shall be made following completion of each of the individual work tasks described in the Scope of Services. No payments shall be made for tasks which have not been satisfactorily completed.

C. Payment. City shall review Consultant's statements and pay Consultant for services rendered hereunder at the rates and in the amounts provided hereunder in accordance with the approved statements.

Section 4. Standard of Quality. All work performed by Consultant under this Agreement shall be in accordance with all applicable legal requirements and shall meet the standard of quality ordinarily expected of competent professionals in Consultant's field of expertise.

Section 5. Ownership of Documents. All plans, studies, documents and other writings prepared by and for Consultant, its officers, employees and agents in the course of implementing this Agreement shall become the sole property of the City upon payment to the Consultant for such work, and the City shall have the exclusive right to use such materials in its sole discretion without further compensation to Consultant or to any other party.

Section 6. Retention of Other Consultants, Specialists or Experts. Consultant will not retain or otherwise incur an obligation to pay other consultants, specialists or experts for services

in connection with this Agreement without the prior written approval of the City. In addition, the persons who shall provide the services agreed to be performed hereunder by Consultant are identified below. No other person may provide services under this agreement on behalf of Consultant without the prior, written consent of the City.

Mardie Oakes, President
Matt Warner, Program Director
Sarah Shimmin, Senior Program Manager

Section 7. Interest of Consultant. Consultant (including principals, associates and professional employees) covenants and represents that it does not now have and shall not acquire any investment or interest, direct or indirect, in real property which is located within the area covered by this Agreement. Consultant further covenants and represents that it does not now have and shall not acquire any source of income, business entity, interest in real property or investment which would be affected in any manner or degree by the performance of Consultant's services hereunder. Consultant further covenants and represents that no person having any such investment or interest shall perform any services under this Agreement.

Consultant shall comply with the City's conflict of interest code and all other conflict of interest laws, including but not limited to the Political Reform Act of 1974 and the regulations promulgated thereunder. Without limiting the generality of the foregoing and in the event that the Consultant is a "consultant" as defined in 2 Cal. Code Regs. § 18701(a)(2) or its successor regulation and is otherwise required by the City's conflict of interest code to complete and execute the economic disclosure statement required under the City's conflict of interest code, as a condition to commencing the work described herein, Consultant shall complete, execute and deliver to the City said economic disclosure statement.

Section 8. Interest of Members and Employees of City. No member of the City Council and no other officer, employee or agent of the City who exercises any function or responsibility in connection with the review, approval or carrying out of any project to which this Agreement pertains shall have any personal interest, direct or indirect, in this Agreement, nor shall any such person participate in any decision relating to this Agreement which affects his/her personal interest or the interest of any corporation, partnership, association, or other legal entity in which he/she is directly or indirectly interested. If Consultant learns of any such interest, he/she shall promptly disclose such interest in writing to the City Manager.

Section 9. Liability of Members and Employees of City. No member of the City Council and no other officer, employee or agent of the City shall be personally liable to Consultant or otherwise in the event of any default or breach of the City, or for any amount which may become due to Consultant or any successor in interest, or for any obligations directly or indirectly incurred under the terms of this Agreement.

Section 10. Indemnification of City. Consultant hereby agrees to defend, indemnify and hold harmless the City from and against any and all claims arising out of Consultant's breach of this Agreement and/or the willful or negligent acts, errors or omissions of Consultant relating to this Agreement. The City has no liability or responsibility for any accident, loss or damage to any

work performed under this Agreement whether prior to its completion and acceptance or otherwise.

Section 11. Consultant Not an Agent of City. Consultant is not an agent of the City, and the City retains all rights of approval and discretion with respect to the projects and undertakings contemplated by this Agreement. Consultant, its officers, employees and agents shall not have any power to bind or commit the City to any decision or course of action, and Consultant, its officers, employees and agents shall not represent to any person or party that it or they are acting as agents of the City or that it or they have the power to bind or commit the City.

Section 12. Compliance with Laws.

A. General. Consultant shall comply with all applicable federal, state and local laws, code, ordinances and regulations. Consultant represents and warrants to City that it has all licenses, permits, qualifications, insurance and approvals of whatsoever nature which are legally required for Consultant to practice its profession. Consultant represents and warrants to City that Consultant shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, insurance and approvals which are legally required for Consultant to practice its profession. Consultant shall, at all times during the term of this Agreement and for one year thereafter, provide written proof of such licenses, permits, insurance and approvals upon request by the City.

B. Novato Business License. Unless otherwise exempt, Consultant will maintain a valid City of Novato business license pursuant to Chapter VIII of the Novato Municipal Code during the term of this Agreement. Concurrently with execution of this Agreement, and upon request of City thereafter, Consultant will submit proof of compliance with this Subsection.

C. Workers' Compensation. Consultant shall take out and maintain at all times during the life of this agreement, up to the date of acceptance of the work by the City, workers' compensation insurance as required by the Labor Code of the State of California. The Consultant shall require all subconsultants similarly to provide such insurance for all of subconsultants' employees. The amount of said insurance shall be \$1 million per accident. Consultant certifies that it is aware of the provision of the California Labor Code which requires every employee to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that Code, and Consultant certifies that it will comply with such provisions before commencing performance of this Agreement.

D. Injury and Illness Prevention Program. Consultant certifies that it is aware of and has complied with the provisions of California Labor Code Section 6401.7, which requires every employer to adopt a written injury and illness prevention program.

E. City Not Responsible. The City is not responsible or liable for Consultant's failure to comply with any and all of said requirements.

Section 13. Insurance.

A. Minimum Scope of Insurance

(1a) Consultant agrees to have and maintain, for the duration of the Agreement, a Commercial General Liability insurance policy insuring him/her and his/her firm to an amount not less than One Million Dollars (\$1,000,000) combined single limit per occurrence for bodily injury, personal injury and property damage. At the time the Agreement is entered into the City may require higher limits depending on the nature of the services being provided by the Consultant. Such determination shall be made by the City's Risk Manager.

(1b) In lieu of commercial general liability insurance, the Consultant may secure and maintain a minimum of One Million Dollars (\$1,000,000) of excess limit (umbrella) coverage on his/her homeowner's or renter's insurance policy.

(2) Consultant agrees to have and maintain for the duration of the Agreement an Automobile Liability insurance policy insuring him/her and his/her staff to an amount not less than One Hundred Thousand dollars (\$100,000) combined single limit per accident for bodily injury and property damage. At the time the Agreement is entered into the City may require higher limits depending on the nature of the service being provided by the Consultant. Such determination shall be made by the City's Risk Manager.

(3) Consultants shall have and maintain a Professional Liability insurance policy insuring him/her and his/her staff to an amount not less than One Million Dollars (\$1,000,000) for injuries arising out of the rendering of services or the failure to render services under this Agreement.

(4) Consultant shall provide to the City all certificates of insurance with original endorsements reflecting coverage required by this section. Certificates of such insurance shall be filed with the City on or before commencement or performance of this Agreement. The City reserves the right to require complete, certified copies of all required insurance policies at any time.

(5) Any Consultant utilizing the services of a secondary consultant in the performance of this Agreement shall either provide the required insurance(s) for the type of service being provided by the secondary consultant or provide evidence acceptable to the City demonstrating that the secondary consultant has in effect the required insurance(s).

B. General Liability.

(1) The City, its officers, officials, employees, and volunteers are to be covered as insureds as respects: liability arising out of activities performed by or on behalf of Consultant; products and completed operations of Consultant; premises owned or used by Consultant; or automobiles owned, leased, hired or borrowed by Consultant.

(2) Consultant's insurance coverage shall be primary insurance as respects the City, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees or volunteers shall be in excess of Consultant's insurance and shall not contribute with it.

(3) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its officers, officials, employees or volunteers.

(4) Consultant's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

C. All Coverages. Each insurance policy required in this item shall be endorsed to state that coverage shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Current certification of such insurance shall be kept on file with the City Clerk at all times during the term of this Agreement.

D. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers, or Consultant shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.

E. Acceptability of Insurers. Insurance is to be placed with insurers with a Best's rating of no less than A: VII.

Section 14. Assignment Prohibited. Consultant shall not assign any right or obligation pursuant to this Agreement without the City's prior written consent. Any attempted or purported assignment of any right or obligation hereunder shall be void and of no effect.

Section 15. Expiration and Termination of Agreement. Unless extended by mutual agreement or terminated pursuant to this section, this Agreement shall expire upon Consultant's satisfactory and timely completion of the services contracted for hereunder. This Agreement and all obligations hereunder may be terminated at any time, with or without cause, by the City within its sole discretion upon written notice to the Consultant. Consultant may terminate this Agreement upon thirty (30) days' written notice to the City only for good cause, including without limitation, serious illness or material breach of this Agreement by City. Consultant's written notice of termination shall contain a full explanation of the facts and circumstances constituting good cause. Upon termination, all finished and unfinished documents, project data and reports shall, at the option of the City, become its sole property and shall, at Consultant's expense, be delivered to the City or to any party the City may so designate. In the event of termination by the Consultant, the Consultant shall only be compensated for all work Consultant satisfactorily performs prior to the time Consultant delivers to the City the termination notice, unless other arrangements are agreed to by the City. In the event of termination by the City, the Consultant shall be compensated for all work satisfactorily performed prior to the time Consultant receives the termination notice, and shall be compensated for materials ordered by the Consultant, and services of others ordered by the Consultant prior to receipt of the City's termination notice whether or not such materials or instruments of services of others have actually been delivered to Consultant or to the City, provided that the Consultant is not able to cancel such orders for materials or services of others. In the event this agreement is terminated pursuant to this section, Consultant shall not be entitled to any additional compensation over that provided herein; nor shall Consultant be entitled to payment for

Section 22. Waiver. No failure on the part of either party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that party may have hereunder.

Section 23. Execution. This Agreement may be executed in several original counterparts, each of which shall constitute one and the same instrument and shall become binding upon the parties when at least one copy hereof shall have been signed by both parties hereto. In approving this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

Section 24. Further Assurances. Each party to this agreement undertakes the obligation that the other's expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise with respect to the performance of either party, the other may in writing demand adequate assurance of due performance and until such assurance is received may, if commercially reasonable, suspend any performance for which the agreed return has not been received. After receipt of a demand for assurance, either party's failure to provide, within a reasonable time, but not exceeding 30 days, such assurance of due performance as is adequate under the circumstances is a repudiation of this agreement by that party. Acceptance of any improper delivery of service or payment does not prejudice the aggrieved party's right to demand adequate assurance of future performance.

IN WITNESS WHEREOF, the City and Consultant have executed this Agreement as of the date first above written.

CITY OF NOVATO:

By: _____
Regan Candelario, City Manager

By: _____
Terrie Gillen, City Clerk

Approved as to form:

City Attorney

HELLO HOUSING:

By: _____
Mardie Oakes, Executive Director

Date

Exhibit A of Contract: Scope of Services

Over the term of this contract, Hello Housing shall perform the following activities to administer the Marin Valley Mobile Country Club Lot Rent Deferral Program:

Activity	Summary Description	Price
Program Design, Set-Up and Launch	Review the City of Novato’s program objectives, research similar models, review relevant data and model various subsidy levels to design a cost-effective, impactful pilot program. Draft program terms, program guidelines, application & supporting document checklist, eligibility workbook, program FAQs, marketing materials, and web content for City of Novato approval. City will provide program agreement and HCD forms.	\$7,500 (one-time fee)
Program Maintenance	Field inquiries from interested and current program participants and provide reports as requested to City staff. Ensure Hello Housing staff is cross-trained on program requirements and operations to respond to inquiries within two business days.	\$400/month
Workshops	Prepare and present workshop materials tailored to educate prospective applicants or current program participants about the MVMCC Lot Rent Deferral Program.	\$500 per workshop
Application Processing	Review applications and supporting documents for completeness. Send up to three requests for missing documents. Once complete, determine household income, evaluate housing costs and determine the maximum monthly deferral amount. Submit recommendation for approval/disapproval to City staff. Issue approval/disapproval letter to Applicant with copy of program agreement and HCD lien forms. Communicate approval to MVMCC for monthly accounting of deferral. Execute program agreement. File lien form with HCD.	\$450 per file
Annual Recertification	Annually, send up to three letters requesting an updated application with supporting documents and review for continued program eligibility. Provide confirmation of continued eligibility to Program Participants, deferral balance to date, a reminder of key program requirements, and provide an annual recertification report to the City of Novato. Update status in database. If no response after three attempts, report list of active files and initiate the Non-Responder Compliance process.	\$450 per file
Non-Responder Compliance	Call Program Participant up to three times and send a custom letter alerting owner to next step of collections. If no response, prepare and issue a Payment Demand for outstanding balance of lot rent deferral and hand over collections to MVCC Property Management. Coordinate with MVMCC property management the collections of deferred rents upon determination of loss of eligibility.	\$250 per file

Pay-Offs	Coordinate with MVMCC property management the collections of deferred rents upon sale	\$175 per file
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Hourly Consulting Fees (for services outside base scope)	
President	\$200 per hour
Program Director	\$135 per hour
Program Manager	\$120 per hour
Program Associate	\$75 per hour



Attachment 2

Marin Valley Mobile Country Club Lot Rent Deferral Program

What is the Marin Valley Mobile Country Club Lot Rent Deferral Program?

The Lot Rent Deferral Program provides financial aid to qualifying extremely low-income mobile home park residents by deferring payment of up to \$150 of their monthly space rent. The Program is being offered as a 1-year pilot for up to fifteen (15) eligible households. The program is being administered by Hello Housing on behalf of the City of Novato.

Why was the Lot Rent Deferral Program created?

The City of Novato is committed to minimizing displacement of its lowest-income residents. Some Marin Valley residents live on fixed incomes and cannot afford rent increases and cannot afford to move their homes to other parks with lower rents.

How do I qualify for a deferral from the Lot Rent Deferral Program?

To qualify for a deferral from the Lot Rent Deferral Program, you must meet the following criteria:

- You must have been a resident of Marin Valley Mobile Country Club for at least five years before applying for a deferral.
- You must own the mobile home in which you are living. The Lot Rent Deferral Program cannot provide assistance to people who are renting the mobile home in which they live.
- You must live full-time (at least 10 months per year) in the park while receiving a deferral.
- If you have a loan on your home, you must be current on your loan payments.
- You must be current on taxes and fees related to your home.
- You must have a monthly household income no greater than 20% of the Area Median Income as defined by the U.S. Department of Housing and Urban Development (HUD) for the San Francisco HMFA adjusted for household size. Income limits are updated on an annual basis by HUD. Please visit www.hellohousing.org/marinvalley for current income limits.
- You must not have assets worth more than \$30,000. This includes but is not limited to: stocks, bonds, real property, savings, investments, and retirement accounts. This does not include the value of your motor vehicles, the value of your home, or the value of the contents of your home (furniture, clothing, jewelry, etc.).
- You must submit a *complete* application with supporting documentation by mail to Hello Housing. You may download a copy of the application at www.hellohousing.org/marinvalley, request a paper copy be mailed or pick up a paper copy from the Marin Valley Mobile Country Club office. Funds are limited and applicants will be served on a “First Complete First Served” basis, which means all requested documents must be received by Hello Housing to be considered submitted.

How is the amount of deferral calculated?

The Lot Rent Deferral Program will provide deferrals no greater than \$150 per month. To determine the actual amount of deferral, Hello Housing will calculate your household income based on your application and supporting documents (e.g. paystubs, bank statements, tax returns). If your household income is less than 20% of Area Median Income, and you meet the other eligibility requirements, Hello Housing will calculate 30% of your annual household income, divide by twelve months, then subtract your lot rent, your monthly principal and interest on your mobile home (if any), property insurance, and a utility allowance.

Example 1: Calculation of Deferral

Maximum Eligible Annual Income for Household of Two (<i>changes annually</i>)	A	\$ 29,550
Actual Annual Household Income for a Household of Two	B	\$ 27,000
Actual Monthly Household Income (B divided by 12)	C	\$ 2,250
30% of Monthly Household Income (C multiplied by 30% = D)	D	\$ 675
Less Current Lot Rent	a	\$ (550)
Less Principal & Interest on Mobile Home	b	\$ (400)
Less Insurance on Mobile Home	c	\$ (50)
Less Utility Allowance	d	\$ (50)
Funds Remaining for Housing Costs (D minus a, b, c, d = E)	E	\$ (300)
Eligible Monthly Deferral (eligible for maximum deferral)		\$ 150

Example 2: Calculation of Deferral

Maximum Eligible Annual Income for Household of Two (<i>changes annually</i>)	A	\$ 29,550
Actual Annual Household Income for a Household of Two	B	\$ 27,000
Actual Monthly Household Income (B divided by 12 = C)	C	\$ 2,250
30% of Monthly Household Income (C multiplied by 30% = D)	D	\$ 675
Less Current Lot Rent	a	\$ (550)
Less Principal & Interest on Mobile Home	b	\$ 0
Less Insurance on Mobile Home	c	\$ (50)
Less Utility Allowance	d	\$ (50)
Funds Remaining for Housing Costs (D minus a, b, c, d = E)	E	\$ 25
Eligible Monthly Deferral (ineligible for any deferral)		\$ 0

Example 3: Calculation of Deferral

Maximum Eligible Annual Income for Household of Two (<i>changes annually</i>)	A	\$ 29,550
Actual Annual Household Income for a Household of Two	B	\$ 27,000
Actual Monthly Household Income (B divided by 12 = C)	C	\$ 2,250
30% of Monthly Household Income (C multiplied by 30% = D)	D	\$ 675
Less Current Lot Rent	a	\$ (625)
Less Principal & Interest on Mobile Home	b	\$ 0
Less Insurance on Mobile Home	c	\$ (50)
Less Utility Allowance	d	\$ (50)
Funds Remaining for Housing Costs (D minus a, b, c, d = E)	E	\$ (25)
Eligible Monthly Deferral (eligible for partial deferral)		\$ 50

Example 4: Deferral At Sale or Transfer after 48 months of Deferral

Deferred Monthly Rent	\$ 150
Number of Months	X 48
Amount due to City of Novato at Sale or Transfer	\$ 7,200

How is deferred rent from the Program repaid to the City of Novato?

Once a resident is approved as eligible for a specific deferral amount, the City of Novato and the resident will execute a form which results in the City of Novato being a lien holder. When a resident sells their home, funds shall be distributed from sales proceeds at closing and returned to the City of Novato. The monthly rent paid directly by the resident will be reduced by the deferred amount. Participation in this program does not exempt residents from rent increases in accordance with the City's Mobile Home Rent Control Ordinance. For information on the City's rent control policies, please visit <http://novato.org/government/community-development/existing-affordable-housing-and-services>.

Can money from the Lot Rent Deferral Program be sent directly to me?

No. Eligible recipients don't receive money directly from the program.

How long can an eligible recipient participate in the program?

An eligible recipient can participate in the program as long as funding is available for the Program and there are no changes to the household income that would impact eligibility. Changes in income, increases in assets, increases in the number of people living in the home, or anything else which would materially affect the household's monthly income, must be reported to Hello Housing. Mobile home park residents who receive a deferral from the Lot Rent Deferral Program must submit an annual recertification form with supporting documents to Hello Housing to continue to receive benefits. The amount of deferral will be recalculated annually based on household income and HUD income limits, which are updated annually.

Can anyone get a lot rent deferral from the Lot Rent Deferral Program?

No. Only those Marin Valley Mobile Country Club residents who have completed the required application and have met the program's guidelines may qualify for a deferral.

Non-Discrimination Policy

The City of Novato, Hello Housing, and Marin Valley Mobile Country Club do not discriminate against any persons on the grounds of race, color, religion, national origin, ancestry, sex, gender, gender identity, gender expression, sexual orientation, marital status, familial status, source of income, genetic information, medical condition, physical disability or mental disability, or any other category protected by law.