



# City of Culver City

## Staff Report

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**CC:** HA - Authorization to Establish the Mobile Home Repair and Replacement Program for Seniors and Disabled Persons

**Meeting Date:** December 12, 2018

**Contact Person/Dept:** Tevis Barnes/CDD-Housing

**Phone Number:** (310)253-5782

**Fiscal Impact:** Yes  No

**General Fund:** Yes  No

**Public Hearing:**  **Action Item:**  **Attachments:**

**Commission Action Required:** Yes  No  **Date:**

**Public Notification:** (E-Mail) Meetings and Agendas - City Council (12/xx/18); Committee on Homelessness (10/30/18)

**Department Approval:** Sol Blumenfeld, Community Development Director (11/18/18)

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### **RECOMMENDATION:**

The City Council Housing Subcommittee recommends the City Council and Culver City Housing Authority (CCHA) Board authorize the creation and approve the eligibility requirements for the Mobile Home Repair and Replacement Program for Seniors and Disabled Persons.

### **BACKGROUND:**

On March 12, 2018 the CCHA Board and City Council considered a variety of proposed affordable housing programs that were organized into five broad categories and ranged from market driven incentives to mandatory requirements.

The categories included:

1. Land Use Planning/Policies and Zoning
2. Alternative Housing Types
3. Taxation and Financial Incentives

4. Neighborhood Revitalization and Housing Preservation
5. Homeless Prevention
6. On-Going Programs

Twenty six affordable housing programs were presented that allocate up to \$23 million over a six-year planning cycle serving approximately 3,100 households and creating up to 79 new affordable housing units. The City Council and CCHA Board recommended prioritizing the proposed programs. The first three priority programs consist of production of feasibility studies to develop homeless seasonal shelters, motel reuse and modular and manufactured affordable housing; and, on September 11, 2018, the City Council and CCHA Board jointly approved the release of the affordable housing studies request for proposals (RFPs). The submission deadline for these RFPs was November 1, 2018. These studies are also incorporated as goals and actions in the updated Plan to Prevent and Combat Homeless which was jointly approved by the City Council and CCHA Board on July 9, 2018.

On November 13, 2018 the City Council Housing Subcommittee considered the proposed program and recommended proceeding with it subject to a maximum initial allocation of up to \$500,000 (assuming \$100,000 maximum allocation per participant) and 55 year restrictive covenants to preserve affordability for the life of the mobile home.

### **DISCUSSION:**

The City Council and CCHA Board are being asked to consider the next series of priority housing programs related to homelessness. The Mobile Home Repair and Replacement Program for Seniors and Disabled Persons (Program) will focus on preventing homelessness among seniors and disabled persons suffering from hoarding where their housing is at risk. The Culver City Enforcement Services Division (Enforcement Services) received 14 hoarding complaints during calendar year 2017<sup>1</sup>.

In cases involving low income seniors and/or disabled persons who may have minimal to no financial or family support, these individuals may be at risk for homelessness. This is especially problematic for mobile home owners who are simply renting space and do not own the real property where the mobile home unit is located. In many cases the mobile home unit is old and outdated and has no market value. To provide some level of protection for these individuals, the creation of the Senior and Disabled Persons Hoarding Program is proposed.

### **Program Eligibility Requirements:**

The following are the eligibility criteria for the Program:

1. Applicant must be a Culver City Resident;
2. Applicant must be a Senior Citizen (62 or older) or Disabled Head of Household;
3. Applicant income must not exceed the moderate income limit for their household size as defined by California Redevelopment Law (CRL);
4. Applicant must have no assets in excess of the amount needed to cover expense related to the repair or purchase of a mobile home;
5. Applicant must be the mobile home owner with clear title and updated registration with the State of California;
6. The mobile home must be determined inhabitable by Enforcement Services, Building Safety

- and Fire Prevention Divisions or require substantial repairs to address health safety violations as determined by Enforcement Services and/or Building Safety Divisions;
7. Proof of the applicant's age will be verified with birth certificates and government issued identification;
  8. Disability status will be evidenced through an applicant being a recipient of Social Security Disability (SSDI) or verified in a written statement from a licensed physician in the state of California; and
  9. Income will be verified through banking statements, credit checks, paycheck stubs, Social Security and pensions statements and other forms of verification deemed necessary by the Housing Authority, such as tax returns and profit and lost statements.<sup>2</sup>

**Program Requirements:**

1. Program participants (Participants) must either purchase or rehabilitate an existing mobile home unit. Participants must enter into an agreement with the CCHA to receive and participate in supportive services and case management to address the hoarding and/or other issues for three to five years through the CCHA or its recognized supportive service providers such as the Department of Mental Health Genesis Program or similar type programs.
2. Participants will not be charged for supportive services and case management through the CCHA but other service providers may require a fee based on an income-based sliding scale. The CCHA and Enforcement Services Division will conduct quarterly inspections to make sure the mobile home unit is being maintained and clear of any code violations or health safety issues. At the conclusion of three to five years, the Program Participant will be reevaluated to determine if services and inspection can be reduced or concluded.
3. Depending on the severity of the coach damage, Participants may either secure a grant or deferred no interest loan for repairs up to \$65,000 (estimated rehabilitation cost). If a deferred loan is approved for Participants, it is repaid while the program participant remains income eligible and does not refinance or transfer title of the unit. The loan term will be contingent upon the loan amount and the applicant's income.
4. If the mobile home is determined uninhabitable, the CCHA may purchase a new or used coach for the Participant based on the fair market price. The maximum purchase price cannot exceed \$94,000 and will also include the removal of the old unit and transfer and placement of the unit. Based on the Participant's income, loan repayment will either be deferred, or a minimum monthly payment will be charged and such payment amount will be based on CRL affordability standards.
5. A covenant will be recorded against the mobile home and will be transferred to the CCHA to maintain the unit as part of its affordable housing stock upon the death of the Program Participant or if the Program Participant is relocated to assisted living or vacates the unit. The CCHA will hold title of the mobile home and will be the owner of record, thus preventing the mobile home unit from being refinanced for cash or title transferred.

6. During the rehabilitation period or the timeframe to purchase a new mobile home unit and remove and replace the old mobile home unit, the applicant may need temporary housing which shall be covered under the Program up to a maximum of \$1,600.

**FISCAL IMPACT:**

A total of \$500,000 is earmarked in the Fiscal Year 2018/2019 Housing Budget (476) for the Program. These funds are allocated from the Low and Moderate Income Housing Asset Fund (LMIHAF) and will not impact the City General Fund. The maximum amount available to purchase a mobile home will be set at \$94,000 and the maximum rehabilitation amount will be \$65,000.

**ATTACHMENTS:**

1. Mobile Home Repair and Replacement Program for Seniors and Disabled Persons Program Guidelines Flyer

**MOTION:**

That the City Council and Culver City Housing Authority Board:

Authorize the creation and approve the eligibility requirements for the Mobile Home Repair and Replacement Program for Seniors and Disabled Persons.

**NOTES:**

1. Of these complaints, 10 involved households headed by a senior. The majority of cases involve homeowner occupied single family properties where the homeowner has the financial or family support to temporarily relocate while the property violations are addressed. For those who fail to comply with the violation orders, Code Enforcement places the property in receivership.

2. Based on the average space rent of \$400 per month for a maximum of one year.

**2018 Los Angeles County Affordable Rent Schedule**

	<b>Studio</b>	<b>One Bedroom</b>	<b>Two Bedroom</b>	<b>Three Bedroom</b>
<b>EL*</b>	\$364	\$416	\$468	\$520
<b>VL</b>	\$606	\$693	\$779	\$866
<b>L</b>	\$728	\$832	\$935	\$1,040

Extremely Low Income  
Very Low Income  
Low Income