



Manufactured Home Improvement and Repair Program (MHIR)

Administrative Policy Plan

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Summary of Revisions for Version 4:

1. Revised eligible use list for Home Repair Awards and re-ordered the list based on priority. (p.10)
2. Added note that households that may qualify for other state or federal repair programs for the requested repair may be denied for MHIR funding. (p.10)
3. Added note about eligibility for heating system repairs (p.10)
4. Removed note concerning repairs where system failure is likely within the next 1 year. (p.10)
5. Clarified scoring prioritization criteria for Home Repair Awards. (p.11)

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Background

The General Assembly of the State of Vermont enacted Act No. 182 of 2022, *An act relating to expanding access to safe and affordable housing*,¹ which created the framework and appropriation for a Manufactured Home Improvement and Repair Program.

The Manufactured Housing Improvement and Repair Program (MHIR) has been set up to support manufactured (also known as mobile) home parks, which are an important source of affordable housing in Vermont. This program offers financial assistance (beneficiary payments) to manufactured (mobile) home owners, prospective manufactured home owners, and manufactured home park owners to assist with the recovery from the impacts of the COVID pandemic. The Department of Housing and Community Development (DHCD) was originally allocated \$4,000,000 of Federal State Fiscal Recovery Funds from the American Rescue Plan Act (ARPA), and was directed to offer assistance in 3 areas²:

- 1) Community small-scale infill awards (beneficiary payments)
- 2) Home repair financial assistance awards (beneficiary payments)
- 3) Manufactured home foundation awards (beneficiary payments)

During the 2023 Veto Session, the Vermont Legislature passed Act 81 (2023), which directed the Vermont Housing Conservation Board (VHCB) to direct an additional

¹ Source: <https://legislature.vermont.gov/bill/status/2022/S.226>

² In the 2023 legislature session, the Vermont Legislature passed legislation allowing the Department of Housing and Community Development discretion to reallocate funding between the three program areas to meet demand.

\$4,000,000 in General Fund dollars to the MHIR program. VHCB's directive was targeted at addressing the affordable housing and homelessness crisis in Vermont. MHIR meets this goal by preserving housing for vulnerable households and creating housing opportunities for low-income Vermonters.

In light of both directives, the goals of the project are to 1) infill vacant or abandoned lots, 2) to repair existing manufactured homes to ensure residents stay housed, and 3) to provide new foundations for the placement of manufactured homes. Creating more housing opportunities in manufactured home parks will serve the most vulnerable Vermonters. Repairing existing manufactured homes will increase their usable life spans and preserve housing for individuals who otherwise may have no option but to live in non-code compliant homes. Finally, creating new foundations for manufactured homes removes a large barrier for prospective homeowners to site their new homes.

The projects will serve current and prospective manufactured homeowners and registered manufactured home park owners. The desired outcome is to prepare 125 to 300 vacant or abandoned lots for new manufactured homes, to maintain the habitability of 250 to 400 manufactured homes, and to install 25 to 75 new foundations. We will measure the program's impacts against these numbers, plus look at the total number of parks, residents, and new homeowners served by the program.

Given the tight rental and housing markets in Vermont, bringing more manufactured homes online is one important step to address the lack of affordable housing and homelessness crisis in the State. The median sales price of manufactured homes for Vermont in the first six months of 2022 was \$130,000 compared to \$270,000 for a median price single family home.³ A household with an income of approximately \$50,000 can afford to purchase a \$130,000 home (3.5% down payment & 30-year mortgage). The 2020 median household income in Vermont was \$63,477, making manufactured homes among the most affordable home ownership opportunities in Vermont.⁴

Organizational Roles

The Vermont State Housing Authority (VSHA), the Champlain Valley Office of Economic Opportunity (CVOEO), and the Department of Housing and Community Development (DHCD) will implement this program.

The Vermont State Housing Authority (VSHA) will be responsible for:

- Program administration for financial assistance;
- Running the application portal and performing application processing, except for the processing of infill applications from parks owned or run by HFI (Housing Foundation Inc.) or VSHA which will be scored by DHCD and CVOEO;

³ Source: <https://www.vhfa.org/news/blog/vermont-home-prices-continue-increase-despite-predictions-cooling-market>

⁴ Source: <https://www.census.gov/quickfacts/VT>

- Application assistance for Infill and Foundation Awards, with the option for referral to DHCD;
- Leading the Review Committee;
- Disbursement of beneficiary payments;
- Program communications;
- Referrals for applicants to relevant programs;
- Site visits for pre-project assessments or post-project verifications;
- Monitoring and reporting on administration of program

The Champlain Valley Office of Economic Opportunity (CVOEO) will be responsible for:

- Technical assistance for Home Repair Awards;
- Application assistance for Home Repair Awards;
- Participate in Review Committee;
- Communications for Home Repair Award applicants;
- Referrals for home support;
- Monitoring and reporting on technical assistance

The Department of Housing and Community Development (DHCD) will be responsible for:

- Program policy, administration, compliance and monitoring;
- Processing of infill applications from parks owned or managed by HFI or VSHA;
- Participate in Review Committee and lead review of infill applications from parks owned or managed by HFI or VSHA;
- Provide data from the Registry of Mobile Home Parks when needed;
- Communications support;
- Site visits for pre-project assessments or post-project verifications when needed;
- Technical assistance for Infill Awards and Foundation Awards

Program Overview

Community Small-Scale Capital Infill Awards

Registered manufactured home park owners can apply for an award to assist with small-scale capital needs to infill vacant or abandoned lots and cover associated expenses. Awards may be used for project costs related to the disposal of abandoned homes, lot preparation, and marketing to home-seekers around the State. See Eligible Uses section below for details.

Maximum Award:

- \$20,000 per lot.
- Parks applying to infill more than 2 lots will require an additional review process.
- Maximum of 10 lots per park, except in cases where a critical need exists and that more than 10 lots in a project will create significant efficiencies of scale.
- Awards must be expended within 90 days from award approval, unless the applicant makes a reasonable request for an extension.

Eligible Applicants

- Manufactured Home Community Owners. Park and owner must be registered in the Registry of Vermont Mobile Home Parks.
- Priority may be given to parks that have not previously received state or federal funding and to parks that may be ineligible for other types of funding.
- Parks applying for over 2 lots to be infilled will require an additional review (see Infill Evaluation Criteria).
- At least 2 quotes will be required for parks applying for projects that exceed \$40,000.

Eligible Uses

Project costs related to the infill of vacant lots, including:

1. Disposal of abandoned homes;
2. Lot clearing, grading, or preparation;
3. Site electrical box issues/upgrades;
4. E911 safety issues;
5. Legal fees;
6. Transporting homes out of flood zones;
 - For transporting homes out of flood zones, construction of a manufactured home pad or fuel tank pad, if necessary or required by regulation.
7. Individual septic systems;
8. Construction of utility improvements such as those for water supply, electricity, telephone, cable television, and gas;
9. Payment of municipal fees such as school impact fees and sewer connection charges; and
10. Marketing to help make it easier for home-seekers to find vacant lots around the State.

Please Note:

- Work may not start until the application is approved.
- Lot must be made available to a prospective or current homeowner following completion of infill work. Program funds cannot be used for creating a rental home.
- Park owners should submit proof of ownership when applying for the removal of abandoned homes. Any legal fees incurred in this process, including abandonment and permitting, can be reimbursed retroactively via the award. Costs related to pre-project asbestos testing may also be considered eligible for retroactive reimbursement. Reimbursable costs for legal fees, abandonment fees, permitting fees, and asbestos testing are limited to a maximum of \$5,000. The total maximum award for demolition and removal of the home plus the fees and testing costs cannot exceed the \$20,000 program cap. Only costs incurred after 1/1/23 may be considered eligible for retroactive payment. Costs related to eviction are not eligible.
- Parks applying for over 2 lots may require a site visit, verification, and/or inspection.

- Park owners with the appropriate skills or staff who choose to perform the project work themselves will be reimbursed for materials and a limited number of work hours. Infill projects performed by the park owner may require a site visit, verification, and/or inspection. See the Payment of Awards section of this document for details.
- Lots located in flood zones may require additional documentation. See pages Flood-Related Applications Section.
- The review committee may consider projects that create new lots in a park.

Required Documentation

The following documents must be submitted as part of an Infill application:

- At least 1 detailed quote from a contractor for item(s) to be repaired.
- At least 1 photo of the lot showing the issue to be addressed.
- For lots that are in a 100-year floodplain, please submit a flood mitigation plan. (see Flood-Related Applications section)

For abandoned homes:

- One document to verify ownership. Examples may include: a property tax bill, a bill of sale, a mortgage or home loan statement, a deed, a will, or a probate document.

Evaluation Criteria

Small scale capital infill financial assistance will be awarded based upon the prioritization criteria/scoring rubric listed below. A Review Committee consisting of personnel from Review Committee from DHCD and administrative subrecipient organization(s) will determine a score for each application that meets the eligible use criteria. The committee will meet at least two times per year to score applications and make award determinations.

Priority in all awards shall be given in the following order of preference:

1. Alignment with eligible use guidelines. **(20 points)**
2. Impact on vulnerable and historically underserved populations, based on the Vermont Community Index. **(20 points)**
3. Demonstration of need: Impact on health, safety, and financial well-being of park due to infill of vacant or abandoned lots. Number of vacant lots and abandoned manufactured homes relative to total lots in the park. **(20 points)**
4. Project readiness: Strength and quality of project work plan, budget, and timeline; including suitability of lot site for infill. Alignment of estimated cost with the scope of the project (e.g., flood zone, environmental impact, etc.). **(20 points)**
5. Parks that have not received previous state or federal funding and that are not eligible for other programs. **(10 points)**
6. Opportunities to coordinate with other projects, communities, and funding sources. **(5 points)**

7. When applicable, project improves energy and water efficiency. (5 points)

For parks that apply for over 2 lots, additional review will be required prior to approval. The Review Committee will assess these larger infill projects using the following additional criteria:

- The degree to which the infill of multiple vacant or abandoned lots creates economies of scale. (i.e. The amount that each additional lot funded will reduce the average cost per lot infilled). (30 points)
- Benefit to the residents of the park. (25 points)
- Lot rent level relative to parks of similar size, location, and amenities. (20 points)
- Submission of quotes from more than 2 contractors. (15 points)
- Opportunities to coordinate with other projects, communities, and funding sources. (10 points)

Note: Procurement of contractors is the sole responsibility of the applicant.

Manufactured Home Repair Financial Assistance Awards

Homeowners of manufactured homes who meet eligibility criteria can apply for home repair awards to repair existing homes to prevent displacement due to habitability issues. These projects may include minor rehab or accessibility projects where the home is otherwise in good condition or in situations where the owner is unable to replace the home and the repair will keep them housed. Examples of eligible projects include roof repairs, hot water, and heating system repairs. See Eligible Uses section below for more details about eligible uses of funds.

A MHIR Home Repair Award, along with other support programs and homeowner contributions, should be able to bring a home up to a level comparable to HUD's Housing Quality Standards. If this goal is unlikely to be met, then alternative options should be investigated.

Maximum Award:

There are two tiers of assistance as follows:

Tier of Assistance	Award Amount
1	Under \$5,000
2	\$5,000 to \$18,000

Tier Details:

- For Tier 1, awards will be granted on a first-come, first-served basis for households that meet all eligibility criteria. Minimum award amount is \$250.
- For Tier 2, awards will be granted based upon the prioritization criteria/scoring rubric listed in the Evaluation Criteria Section below.

Please Note:

- Work may not start until the application is approved.
- After project approval, a contingency may be considered for cost overages of up to 10% of approved amount without additional approval from the review committee, with a maximum cap of \$18,000.
- Awards of greater than \$10,000 may require a site visit or verification to assess the repair needs prior to receiving an award.
- Awards must be expended within 90 days from award approval, unless the applicant makes a reasonable request for an extension.
- Households may apply for more than one award or project. The maximum aggregate of emergency and home repair awards per household is \$18,000.

Eligible Applicants

- Homeowners of manufactured homes in a park listed in the Registry of Vermont Mobile Home Parks.
- The home must be the primary residence of the homeowner.

Eligible Uses

Project costs related to manufactured home repairs. Minor rehab or accessibility projects where the home is otherwise in good condition or in situations where the owner is unable to replace the home and the repair will keep them housed. Eligible repairs are listed below in the order of priority, with #1 being the highest priority:

1. Roof repairs and associated damage from leaks;
2. Repairs to electrical systems where a safety hazard is present;
3. Repair of plumbing leaks or burst pipes, associated damage from leaks, and installation of heat tape when pipes have frozen or burst;
4. Hot water system repairs;
5. Repairs to floors or sub-floors to address structural hazards;
6. Repairs to damaged walls, ceilings, siding, or skirting;
7. Repair of broken windows;
8. Repair of damaged stairs to ensure one method of safe egress from the home;

Note: Households that may qualify for other state or federal repair programs for the requested repair may be denied for MHIR funding until other options have been exhausted or are shown to be unavailable. Program administrators will provide referral information.

Note: Requests for heating system repairs may be considered in situations where the applicant is not eligible for an established weatherization program and the homeowner is unable to obtain the repair themselves.

Note: Applicants with appropriate home repair skills who choose to perform the repair work themselves will be reimbursed for materials and a limited number of work hours. Repairs performed by the homeowner may require a site visit, verification, and/or inspection. See the Payment of Awards section of this document for details.

Note: Repair or replacement of anchors and tie downs are eligible on a case-by-case basis to secure the mobile home.

Note: Re-leveling of a home is not eligible, unless it is necessary to properly address an eligible MHIR repair to maintain the habitability of the home. Program administrators will request a copy of the contractor's certificate of liability insurance. Homeowners assume all risk related to releveling repairs.

Required Documentation

The following documents must be submitted as part of the Home Repair application:

- One document to verify ownership. Examples may include: a property tax bill, a bill of sale, a mortgage or home loan statement, a deed, a will, or a probate document.
- Detailed quote(s) or estimate(s) from a contractor for item(s) to be repaired.
- One photo of each item to be repaired showing the problem or issue.

Evaluation Criteria

For Tier 1 home repair assistance, the program administrators shall review the application for eligibility and make an evaluation. This evaluation will be sent to DHCD for review prior to a final award determination being made.

Home repair assistance will be awarded based upon the prioritization criteria/scoring rubric listed below for awards of \$5,000 to \$18,000. A Review Committee from DHCD and administrative subrecipient organization(s) will determine a score for each application that meets the eligible use criteria. The committee will meet monthly or as needed to score applications and make award determinations.

Priority in all awards shall be given in the following order of preference (150 points):

1. The project addresses an immediate housing risk or crisis, and the repair will keep the family and/or children housed (30 points)
2. Demonstration of need: Impact on health, safety, and financial well-being of home. Special consideration will be made for homes with a disabled, elderly, or child household member. (20 points)
3. Project will prevent the need for replacement of the home and is anticipated to make a substantial increase in the length of time that the home will remain habitable. (20 points)
4. Alignment with eligible use guidelines. (20 points)
5. Impact on vulnerable and historically underserved populations, based on the [Vermont Community Index](#). (20 points)
6. Project readiness: Strength and quality of contractor or homeowner estimate or quote, budget, and projected timeline. (20 points)
7. Homeowners that have not received previous state or federal home repair funding outside of MHIR and that are not eligible for other home repair programs. (10 points)
8. Opportunities to coordinate with other projects or funding sources. (5 points)
9. When applicable, energy and water efficient projects. (5 points)

Note: Procurement of contractors is the sole responsibility of the applicant.

Emergency Home Repair Applications

The program administrators shall set aside a reserve of funds for emergency repairs for applicants. For emergency situations where the applicant is at risk of immediate loss of housing due to an urgent home repair need such as complete loss of heat, drinking water, hot water, electricity, or other severe damage due to a natural disaster or where the shell of the home has been breached, the following approach may be taken:

- Once the issue is identified, the program administrators will email an expedited review request to the review committee.
- Program administrators will provide sufficient details to justify the need for the emergency authorization. Examples listed in the application are loss of heat, water, or electricity. If an application is not deemed to meet the criteria for an emergency repair by DHCD, then the application will go through the standard Home Repair process.
- DHCD will score the application and notify VSHA and CVOEO within 3 business days of receiving the request for expedited review.
- Retroactive payment is available for applications that receive an emergency home repair status for projects occurring from January 1st, 2023 onward.

Following approval, program administrators may provide a letter to contractors to facilitate emergency repairs explaining that the project has been approved for an award. Emergency applications shall remain open via the portal, fillable PDF, or paper applications until the reserve is exhausted.

Manufactured Home Foundation Awards

Prospective and current homeowners who meet the eligibility criteria can apply for an award to pay for a foundation or slab and related expenses within registered manufactured home communities. Slabs must be HUD-approved for new manufactured homes. Homeowners are responsible for meeting local regulations and home loan requirements.

Maximum award:

- \$15,000 per award.

Please Note:

- Work may not start until the application is approved.
- Awards must be expended within 90 days from award approval, unless the applicant makes a reasonable request for an extension.
- Limit one award per applicant.

Eligible Applicants

- Prospective and current homeowners of manufactured homes in a park listed in the Registry of Vermont Mobile Home Parks.
- The home must serve as the primary residence of the homeowner.

Eligible Uses

Project costs related to a new permanent foundation or HUD-approved slab on a vacant lot within a registered mobile home park. Related costs may include:

- Site preparation;
- Skirting;
- Tie-downs; and
- Utility connections.

Required Documentation

The following documents must be submitted with your application:

- At least 1 detailed quote from a contractor for the foundation installation and any associated work;
- A detailed budget for the overall project or a pre-approval letter from your lender;
- At least 1 photo of the lot where the home will be placed;

For new homes upon project completion:

A completed HUD Form 309. Evaluation Criteria

Foundation awards will be awarded on a first come, first served basis for households that meet all eligibility criteria.

Note: Procurement of contractors is the sole responsibility of the applicant.

Note: If applicable, a completed HUD Form 309 should be submitted by applicant or contractor following completion of foundation or slab.

Note: Placing a new foundation underneath an existing home is not considered eligible.

Note: The MHIR program is intended to maintain habitability within manufactured home parks. The program administrator has the discretion to deem a home eligible for home replacement if that home is in imminent danger of losing habitability. If the applicant's current home has significant habitability issues and has immediate health and safety problems, then they may be considered eligible for a Foundation Awards to help enable the purchase of a replacement home. The applicant needs to demonstrate eligible home repair needs that exceed \$20,000 prior to being considered eligible for a Foundation Award to help enable the purchase of a replacement home. Confirmation of home repair needs can come from a contractor, home inspector, town health officer, fire marshal, or other authorized third party. The homeowner needs to provide photos of the damage to the existing home prior to a decision being made on the eligibility of the application.

Program Administration

Administrative Decisions

The program administrators reserve the right to approve or deny applications for awards at the discretion of the VSHA Executive Director or the Commissioner of DHCD or their designee.

Administrative Plan Amendments

The latest version of the administrative plan will be controlling until an amendment is approved by DHCD program manager and general counsel. Amendments may be proposed by VSHA, CVOEO, & DHCD. Once an amendment is approved and signed, a new version of the plan will be circulated to the program team.

Appeals

If an applicant is determined to not be eligible for assistance or is not selected for an award, the applicant will be notified by the program administrators. Applicants who wish to appeal an award decision must notify DHCD within 30 calendar days of the notification receipt date (email or mail) of the application decision. Appeals will be reviewed by the Housing Division of DHCD and counsel.

Application Processing

Applications are processed using the ReFrame portal. Once an application is submitted, the applicant will receive an automated confirmation email or text within 2 business days. A VSHA staff member performs an initial review of all applications made on the portal. If additional information or documentation is required from the applicant, then VSHA will send a request letter via email, SMS or mail.

Review process for applications that do not require scoring (Tier 1 Home Repair Awards and Foundation Awards):

1. VSHA will review the application and check supporting documentation for validity.
2. VSHA will make a decision on the application based on the eligibility criteria and the eligible use lists.
3. Applicant will be notified of the decision. Decisions that the Review Committee may make are: Approved, Approved Pending, Partially Approved, Denied, Hold, or More Information Needed.
4. For Foundation Awards where the applicant is applying for a loan for home purchase, applicant will provide purchase and sale document along with contractor quote for the foundation work.
5. A final decision for applications that do not require scoring will generally be 2 weeks to 8 weeks from the date the application was completed. For Tier 1 awards, Payment can be expected to be made within 2 to 6 weeks from the date of the decision notification. Payment can be made directly to the contractor or to the homeowner as a reimbursement. For Foundation Awards, payment should coincide with the expected closing date or date required for initiation of foundation work.

Review process for applications that require scoring (Infill Awards and Tier 2 Home Repair Awards)

1. VSHA will check the portal regularly for completed applications. In the case of emergency situations where CVOEO is providing application assistance, CVOEO will notify VSHA and DHCD that an emergency request has been made.
2. VSHA will review the application for completeness.

3. If needed, VSHA sends follow-up questions (request for additional information) to applicant.
4. Once additional (needed) information is received by VSHA from applicant, VSHA will update status to “Review Committee”.
5. VSHA will send a list of the completed applications that require scoring to the members of review committee one week prior to the review committee meeting to allow time to fill out the review scoresheets.
6. The review committee will meet to discuss decisions on awards and prioritization.
7. Applicant will be notified of the decision (Approved, Approved Pending, Partially Approved, Denied, Hold, or More Information Needed).
8. A final decision for applications that require scoring will generally be 2 to 8 weeks from the date the application was completed. Payment can be expected to be made within 2 to 6 weeks from the date of the decision notification. Payment can be made directly to the contractor or to the applicant as a reimbursement.

Note: Infill Award applications submitted by parks owned by HFI or VSHA will be received and processed by DHCD. The reviews for these applications will be performed by DHCD and CVOEO. Any payments made for these awards will be made by VSHA.

For Home Repair Projects that exceed \$18,000 (note: maximum award is \$18,000), the following steps may be taken to verify viability of the project:

Prior to final project approval, additional verification may include:

1. Preferred method is: VSHA, DHCD, or CVOEO performs a site visit.
2. In lieu of site visit, a digital review may be performed.
3. For certain situations, a home inspection should be performed by a third party. Cost of home inspection to be included in the award.

MHIR program administrators may ask Homeowner to request quote(s) for the project from additional contractor(s). Administrators may verify with the contractor which repairs are necessary for habitability. Administrators may prioritize which requested repairs are needed for habitability and safety.

Note: The maximum award for home repair is \$18,000. The above steps help ensure project viability.

Site Visits

The general process for site visits for Infill Awards will be:

1. Contact park owner, property manager, or contractor to schedule visit. Email confirmation is preferred. Permission to be provided by owner if no one will be present at time of visit.
2. Arrive at lot and speak to park representative about expectations and address any questions or concerns with the process.
3. Take photos of the lot and surrounding area. If abandoned home or other structures are present, ensure photos show the state of the structure(s).

4. Fill out MHIR Site Visit Checklist.
5. Record brief summary of site visit in ReFrame back office file for applicant.

The general process for site visits for Home Repair Awards will be:

1. Contact homeowner and/or contractor to schedule visit. Email confirmation is preferred. Permission to be provided if homeowner will not be present at time of visit.
2. Arrive at home and speak to homeowner about expectations and address any questions or concerns with the process.
3. Take photos of exterior and interior, with a focus on the requested home repairs.
4. Take specific photos of the damage or items needing repair or replacement.
5. Fill out MHIR Site Visit Checklist.
6. Record brief summary of site visit in ReFrame back office file for applicant.

The general process for site visits for Foundation Awards will be:

1. Contact homeowner, park owner, property manager, or contractor to schedule visit. Email confirmation is preferred. Permission to be provided if no one will be present at time of visit.
2. Arrive at lot and speak to representative about expectations and address any questions or concerns with the process.
3. Take photos of the lot and surrounding area.
4. Fill out MHIR Site Visit Checklist.
5. Record brief summary of site visit in ReFrame back office file for applicant

Applications may go back to the review committee for a decision following the completion of the site visit, if additional information has been obtained that affects the decision on the application.

Note: Homeowner is expected to confirm in writing that they will be able to cover any amount over \$18,000.

Note: For emergency repairs, a site visit may occur following project approval.

Project Completion

After project completion and prior to final payment:

1. Perform digital review of photos and documentation.
2. Perform spot checks via site visit or home inspection.
3. If applicable, refer homeowner to appropriate programs or services, such as the Weatherization Program or the Department of Environmental Conservation's Aboveground Storage Tank Program.

Note: A contractor can use an applicant's letter of approval, or they can email or call VSHA for confirmation that they will receive payment for their work.

Note: VSHA or the Review Committee may deny applications for projects that are not deemed eligible for an award or do not meet enough of the Evaluation Criteria. If a portion of

a project is deemed ineligible, but another portion is deemed eligible, the portion that is ineligible may be denied, and the eligible portion may be approved.

Note: The Review Committee may assign a “Hold” status for:

- Applications that do not score high enough to be approved for funding, but are deemed eligible if future funding becomes available,
- Applications that request some uses that are eligible and some uses that are ineligible. Applicants may be asked to submit new documentation, such as a quote showing only the eligible uses.
- Applications where the repair request exceeds the intent of the program (i.e., a full replacement is requested when only a minor repair is needed to maintain habitability). Applicants may be asked to submit a new quote for the simpler repair.

Properties Constructed Before 1978

- Properties constructed before 1978 need to follow the standards for handling hazardous materials (e.g., lead, asbestos, etc.). The work must be performed by certified or licensed contractors as applicable. Applicants will be directed to the Vermont Department of Health website for lead and asbestos standards.

Incomplete Application Submission Process

- If an application is missing a quote from a contractor, the applicant will receive up to 3 letters requesting missing information. Letters to be sent every 3 to 20 business days.
- Applications will be closed after 3 months from the submission of the application if the requested information or documents are not received, unless the applicant makes a reasonable request for an extension.
- The closed letter will inform applicant that additional notices will not be sent, and the application will be closed. An applicant may request that a closed application be re-opened by contacting the administrators and submitting the required documentation.

Process for Suspected Fraudulent Applications

When applications are submitted with documents that are suspected to contain false information for any of the required documentation contained within the list of eligibility criteria outlined in this document or the application form, we reserve the right to request verification. If verification is not provided, the application will be denied.

If an applicant receives an award(s) that is suspected to be fraudulent, the applicant will be sent a letter demanding the benefits be repaid to the program. A formal referral of fraudulent activity will be made to the Vermont Attorney General’s office.

Process for Suspected Misuse of Awards

For situation where applications are approved and a deposit or other payment is made by the program, and the participant is unresponsive to requests for final invoices or proof of project completion, the administrator(s) will attempt to contact participant 3 times. If there is no response, then the funds will be deemed as misappropriated after 90 days from last

contact from participant. A certified letter will be sent to homeowner or contractor requesting return of funds to VSHA. If fraud is suspected, a formal referral of fraudulent activity will be made to the Vermont Attorney General's office or to the appropriate local law enforcement agency.

Policy for Administrative Errors & Allowing Retroactive Payments

In cases where an administrative error prevented an applicant from completing an application and receiving an award prior to project completion, an application may still be considered eligible. In these instances, every effort will be made to document the nature of the error and ensure all required documentation for the project is obtained. DHCD will review the documentation and may determine the project eligible for a retroactive payment if applicable.

Paper Applications

Paper Applications will be made available by contacting VSHA, CVOEO (for Home Repair Awards), or DHCD. Paper applications will be made available to accommodate disabilities or the lack of technological access. Paper applications can be mailed directly to VSHA, CVOEO, or DHCD, who will then enter the entire application into the portal. The hard copy of the paper applications will be kept on file by VSHA. Note: applications will be processed within 10 days of receipt.

Conflicts of Interest

All parties involved in this program shall comply with all applicable federal and state conflict of interest rules. Parties shall fully disclose any conflicts of interest or potential conflicts of interest. Parties shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors or potential contractors.

Demographics

Optional demographics will be collected from applicants to ensure the program is supporting impacted and disproportionately impacted groups in accordance with the U.S. Department of the Treasury's *Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule*.⁵ The overview states, "The pandemic caused disproportionate impacts, or more severe impacts, in certain communities. For example, low-income and underserved communities have faced more severe health and economic outcomes like higher rates of COVID-19 mortality and unemployment, often because pre-existing disparities exacerbated the impact of the pandemic. The final rule describes these as 'disproportionately impacted' households."

All personally identifiable information will be kept confidential. Demographic data will be aggregated prior to reporting to preserve confidentiality.

Duplication of Benefits

Funds awarded by this program cannot be duplicated by other federal and state funds or federally forgiven loans to cover the same project costs. Audits may be conducted by the State or by the program administrators to check for instances of duplication of benefits.

⁵ Source: <https://home.treasury.gov/system/files/136/SLFRF-Final-Rule-Overview.pdf>

Final determination of whether there has been a duplication of benefits and the amount to be repaid, if any, will be made by the State and/or program administrators.

Equity

The income gap for families in Vermont, or the gap between increasing costs and incomes, is becoming untenable and, for many, impossible to navigate. The inability to cover rising housing costs with current incomes is a fair housing issue because it limits access to safe, standard housing and inherently creates housing instability for our most vulnerable.

According to the U.S. Department of the Treasury’s *Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule*,⁶ Coronavirus State and Local Fiscal Recovery Funds ensure that governments have the resources needed to “Build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity.” In order to support equity for all potential applicants to the program, the approach to the program will be done with an intent to reduce disparities. The MHIR program seeks to reduce housing insecurity and increase the affordable housing stock for low to moderate income Vermonter residents.

According to the *State and Local Fiscal Recovery Funds Recovery Plan Performance Report Template*,⁷ reporting will be conducted on the “efforts to promote equitable outcomes, including economic and racial equity.”

As part of the State of Vermont’s commitment to build on local, state, and national efforts to advance equity and to increase meaningful inclusion and representation of BIPOC (Black, Indigenous, and People of Color) communities and other historically marginalized populations, the following may be considered:

- Assistance to households, small businesses, and non-profits to address impacts of the pandemic, which have been most severe among low-income populations. This includes assistance with housing.
- Consideration of the Vermont Community Index.
- Consideration of geographic equity.
- Services to provide long-term housing security and housing supports.
- Translation or interpretation services may be requested through the program administrators.
- Other strategies that provide impacted and disproportionately impacted communities with services to address the negative economic impacts of the pandemic.
 - *How well are historically underserved, marginalized, or adversely affected groups served by the program?*
 - *How equitable and practical is the ability for residents or businesses to become aware of the services funded by the program?*

⁶ Source: <https://home.treasury.gov/system/files/136/SLFRF-Final-Rule-Overview.pdf>

⁷ Source: <https://home.treasury.gov/system/files/136/SLFRF-Recovery-Plan-Performance-Report-Template.docx>

- *Are there differences in levels of access to benefits and services across groups? Are there administrative requirements that result in disparities in ability to complete applications or meet eligibility criteria?*
- *How are intended outcomes focused on closing gaps and/or reaching universal levels of service? How are the measurable outcomes disaggregated by race, ethnicity, and other equity dimensions where relevant for the policy objective?*

FAQ

VSHA will maintain a Frequently Asked Questions Page on their website including questions, answers and helpful links:

- Eligibility and application questions
- Link to contractor lists
- Link to related programs, such as Weatherization

Flood-Related Applications

For applications related to damage from a flooding event or for lots that are in a floodplain, the following approach shall be taken:

- Lots that are in a floodway are not eligible for a MHIR Infill Award or a MHIR Foundation Award.
 - In instances where a homeowner is returning to their lot following a flooding event, the program administrators may consider the lot for an Infill Award or Foundation award.
- For lots in a 100-year floodplain, the review committee will use discretion and request the park owner to have a mitigation plan for Infill and Foundation Awards. Applicants will be requested to contact their town's municipal official responsible for flood policy. Applicants will be provided with information about Department of Environmental Conservation's (DEC) best practices, which may include their standard of, "A building's lowest floor must be elevated at least 2 feet above the Federal Emergency Management Agency (FEMA) 100-year base flood elevation."
 - Standard MHIR eligibility policy applies to homes located in a 100-year floodplain for Home Repair Awards.
- For lots in a 500-year floodplain or not in a floodplain, standard MHIR eligibility policy applies to all 3 program areas.

If an applicant has applied for FEMA assistance, the administrators may request a copy of their FEMA determination letter. Home Repair applications for flood-related damage for homes located in counties that did not receive FEMA assistance may receive higher priority.

Monitoring

Monitoring will be performed to ensure appropriate use of all program funds and to meet federal guidelines. Monitoring activities will include financial procedures and record keeping (distribution of funds), data collection, demographics tracking (to check equity), award

decision tracking, summary of program activities and outcomes, quarterly and annual reports, site visits.

Site visits conducted by a representative of the program administrators, DHCD, and/or CVOEO may be required for Infill Awards and Foundation Awards. A home inspection may be requested prior to a decision being made on Home Repair applications that exceed the maximum award amount, need a prioritization determination, or where the work is being performed by the homeowner. Results of site visits will be recorded in the applicant's file in the application portal system. A digital review may be performed in lieu of a formal site visit.

For Home Repair Awards not receiving a site visit, applicants will need to provide confirmation that work has been completed. This may include photos showing the repair need and results after work is done, and the proof of purchase or invoice. Site visit spot checks may be performed for these awards.

Payment of Awards

Awards will be paid by using a reimbursement model for the infill and foundation Awards. For the home repair program, we will issue beneficiary payments following the receipt of a quote and a letter of intent to complete the repairs. The preferred method will be to pay contractors directly. Following completion of work, VSHA will verify costs incurred via invoices and proof of payment as feasible. W-9 and Direct Deposit forms will be needed from park owners, contractors, and vendors. W-9 forms will be required of any homeowner performing their own repairs. Direct Deposit forms will be required from homeowners when being reimbursed for approved repairs.

Projects will be allowed a 10% contingency for cost overages beyond the quote, but not to exceed program limits. For projects that go more than 10% over the approved amount, applicant will need to submit a change order or an additional funding request for approval by administrators.

Note: In situations where a contractor deems it necessary and urgent to complete a change order exceeding 10% of award amount prior to receiving approval from program administrators, the request can be sent to the review committee to retroactively determine eligibility of the change order.

Note: The 10% contingency for cost overages does not apply to tipping fees, as these costs may be difficult to estimate prior to project initiation. VSHA will provide DHCD with details of overages beyond 10% for tipping fees. DHCD will provide a determination of eligibility.

Note: Program administrators may withhold final payment if review of photos, documentation, and/or site visit shows that the work was not completed, or the work was done improperly.

Park Owners must notify DHCD if they intend to sell the park prior to project completion. DHCD and VSHA may, in their sole discretion, revoke the award, or allow transfer of the award to the new owner if the new owner qualifies. DHCD and VSHA reserve the right to revoke awards for incomplete projects if the park changes use.

For infill awards, when a park owner or staff is capable of/qualified to and chooses to perform the site work, the following process will be utilized:

- Park Owner provides detailed quote for materials, equipment, and labor required to complete the project.
- Administrators may ask for a quote for the repair from a third party.
- Reimbursement will be as follows:
 - Reimbursement for materials and equipment rentals.
 - Reimbursement for hours worked based on documented labor rate.
 - Maximum number of hours per lot is 200.
 - The number of hours reimbursed should be reasonable and correspond to the size of the project.

For home repair awards, when a homeowner is capable of/qualified to and chooses to perform the home repair, the following process will be utilized:

- Reimbursement for materials
- Reimbursement for hours worked at \$25 per hour.
- Maximum number of hours per project is 200.
- Maximum total labor reimbursement is \$5,000.
- The number of hours reimbursed should be reasonable and correspond to the size of the project.

Privacy

Every effort will be made to ensure that any personally identifiable information will be stored privately and securely. The social security numbers of applicants will not be collected as a requirement for the program, but a W-9 may be required for homeowners who choose to perform repair work themselves. Direct deposit forms, as required for payment for the program, require the tax identification number for park owners, homeowners, and contractors.

Public Facing Information & Statistics

VSHA will maintain a website detailing the program parameters & relevant statistics:

- There will be a link to the Microsoft power BI or data which will provide a snapshot with locations served and type of awards.

Taxes:

Park owners and homeowners who apply need to be current with their federal, state, and local taxes. If they are not current, then they need to provide documentation that a payment plan with the tax entity (Federal, state or local) has been agreed upon and is in good standing. If someone is delinquent on their taxes and requires an emergency repair, they need to provide documentation that they have made a payment or are working with the tax entity to resolve the delinquency.

Waivers/requirements:

Applications will include a waiver for the State, VSHA, CVOEO, stating that the State of Vermont, VSHA, and CVOEO are not liable for any damages to the applicant's property that may result from participation in this program, and applicant assumes all risk of hiring contractor(s).