



Contra  
Costa  
County

To: Board of Supervisors

From: John Kopchik, Director, Conservation & Development Department

Date: July 24, 2018

Subject: Neighborhood Preservation Program Mobile Home Loan Forgiveness

**RECOMMENDATION(S):**

APPROVE and AUTHORIZE forgiveness of \$364,011 of Neighborhood Preservation Program loans made to owner/occupants of mobile homes as recommended by the Conservation and Development Director.

**FISCAL IMPACT:**

No impact to the General Fund. All loans were made with 100% federal funds. (CFDA 14.218)

**BACKGROUND:**

The Department of Conservation and Development administers the Neighborhood Preservation Program (NPP). NPP provides low interest loans and grants to low-income households who own and occupy their homes. Funds are used to eliminate conditions that are detrimental to health and safety and to make modest improvements to homes. Recipients are only required to make payments on the loan under certain circumstances, such as income growing above specified levels or if the home is sold. It is common for payment to only be made at the time of sale. Payments are matched with new federal dollars and used to make additional loans under the NPP.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **07/24/2018** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: John Gioia, District I Supervisor  
Candace Andersen, District II Supervisor  
Diane Burgis, District III Supervisor  
Karen Mitchoff, District IV Supervisor  
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: July 24, 2018

David Twa, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: Kara Douglas  
925-674-7880

cc:

From 2008 through 2011, the County provided loans to owners of mobile homes to make the program consistent with the loan standards for owners of single-family homes. However, mobile home coaches do not retain or increase in value and are often unsellable when an owner moves out. This makes it

### BACKGROUND: (CONT'D)

very difficult for recipients of mobile home loans, or their heirs, to have funds to repay the loans. Beginning in 2011, staff provided mobile home assistance as grants rather than loans. However, there are 29 mobile home loans outstanding. Staff recommends forgiving these loans due to the burden repayment places on the borrowers or their heirs. There is \$364,011 in outstanding mobile home loans. Because of the high likelihood of default, loan forgiveness will not be a burden on the program. The total outstanding NPP loan balance is approximately \$7 million.

### CONSEQUENCE OF NEGATIVE ACTION:

The mobile home loans will continue as loan receivables.

### ATTACHMENTS

Loan List