

Presented by: The Manager
Presented: 06/17/2024
Drafted by: S. Layne

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 3057(b)

A Resolution Adopting Guidelines for the Manufactured Home Down Payment Assistance Program.

WHEREAS, the City and Borough of Juneau (CBJ) urgently needs more affordable and middle-income housing for its current residents, to support and maintain the economy, to allow for population growth, and to enable positive developments; and

WHEREAS, in 2016, the CBJ partnered with True North Federal Credit Union (TNFCU) to create the Mobile Home Down Payment Assistance (MHDPA) Program for Juneau residents looking to purchase a mobile home, and it has continued since; and

WHEREAS, the Assembly initially appropriated \$100,000 for the MHDPA Program and subsequently appropriated \$30,000 annually; and

WHEREAS, that annual budget authority lapses on June 30 every year pursuant to CBJ Charter 9.12; and

WHEREAS, the FY25 budget appropriated \$30,000 for the MHDPA Program; and

WHEREAS, the Accessory Dwelling Unit Grant Program is an underutilized program with \$216,000 in FY25 budget authority; and

WHEREAS, the MHDPA Program and the Accessory Dwelling Unit Grant Program are part of the Affordable Housing Fund that has a balance of \$2,368,300 in FY25; and

WHEREAS, funds in the Accessory Dwelling Unit Grant Program can be used to supplement the MHDPA Program if necessary; and

WHEREAS, in the last five years, the MHDPA Program has issued four loans totaling \$26,850, and the MHDPA Program has received ~\$15,000 in payments; and

WHEREAS, the MHDPA Program currently has ~\$11,850 in outstanding loans in the portfolio; and

WHEREAS, CBJ staff would like to respond to the increase in manufactured home purchase prices by altering the MHDPA Program terms and increasing MHDPA Program public notice; and

WHEREAS, if the FY25 demand for the MHDPA Program exceeds \$100,000, the City Manager will report to the Lands Housing and Economic Development Committee requesting a supplemental appropriation or transfer of additional funds from the Accessory Dwelling Unit Grant Program; and

WHEREAS, due to increases of manufactured homes prices, CBJ staff is requesting an increase in the maximum loan from \$10,000 up to \$20,000; and

WHEREAS, previous iterations of the MHDPA Program guidelines limited recipients of loan funds to \$96,800 regardless of family size; and

WHEREAS, staff identified the creation of tiered income limits based on household size to allow more residents to qualify for this MHDPA Program; and

WHEREAS, a complete application guide based on the criteria in this resolution will be developed by CBJ staff to provide additional clarity to applicants; and

WHEREAS, this resolution and the accompanying application guide should be reviewed periodically by the Assembly to ensure the intent is consistent with current community values.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

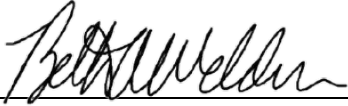
Section 1. Manufactured Home Down Payment Assistance Program Guidelines.

- A. **Intent.** The program can provide low-interest loans to qualified residents for up to 50% of the down payment of a manufactured home in the City and Borough of Juneau. Residents must be able to match the other 50%.
- B. **Maximum loan amount.** The maximum CBJ loan amount is up to \$20,000, and the applicant must match the CBJ loan amount with their own funds (50/50 match).
- C. **Interest rate.** The interest rate is one percent (1%) amortized over five years.
- D. **Term of loan.** The maximum CBJ loan term is five years.
- E. **Income limits.** This MHDPA Program is only available to people with income limits at or below 120% Area Median Income for the City and Borough of Juneau, adjusted annually.

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- F. **Limited to one per person.** A qualified applicant must be a person and not a business. A qualified person is prohibited from participating in this program more than once.
- G. **Property location.** The manufactured home must be located in the City and Borough of Juneau and on property approved as a mobile home park consistent with CBJ Title 49. This restriction does not prohibit a new mobile home from being shipped into Juneau.
- H. **No real property interest.** An applicant is disqualified from the MHDPA Program if the applicant has an ownership interest in the underlying real property. A MHDPA Program loan must not be used to purchase or acquire an ownership interest in the underlying real property.
- I. **Applicant occupancy.** The applicant/borrower shall provide sufficient assurances that the applicant/borrower intends to personally and permanently occupy the mobile home financed with the MHDPA Program for at least one year.
- J. **Manufactured home only.** For the purpose of this resolution, *manufactured home* means a mobile home, a manufactured home, or a modular home, but not a recreational vehicle or a recreational trailer. *Mobile home* means a structure transportable in one or more sections; intended for permanent residential habitation; and permanently attached to water, wastewater, and electricity. A *recreational vehicle* or *recreational trailer* means a vehicle or trailer designed as temporary living quarters for recreation, camping, or travel uses; has its own mode of power or is drawn by another vehicle without altering the structure or design; and is capable of being licensed to travel on public roads.

116 **Section 2. Effective Date.** This resolution shall be effective immediately after its
117 adoption.

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119 Adopted this 17th day of June 2024.

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123 Beth A. Weldon, Mayor

124 Attest:

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127 Elizabeth J. McEwen, Municipal Clerk