

Manufactured Home Community Redevelopment Program (MHCR)

HF 1417 Norris, Dotseth, Rehm, Feist, Freiberg
SF 1775 Kunesh, Putnam, Port, Draheim, Koran

MHCR Basics

- Program was created in 2019 and awarded grants for five years (2020-24). There was no RFP in 2025.
- Funds infrastructure improvements in existing manufactured home communities
- All ownership types are eligible: cooperatives (resident-owned), nonprofits, municipally-owned, and privately owned
- HIB eligible and has received more than \$20M in HIB funding since its inception
- Base funding is currently \$1M/year; HF1417 / SF1775 would increase base funding to \$15M/year
- Awardees must record a 25-year restrictive covenant: They agree not to raise rents by more than 5% per year without permission from MHFA and to keep the manufactured home park open

Need for MHCR

- Many manufactured home communities have aging, deteriorating infrastructure (water, sewer, electrical, roads)
- Park owners often lack funds to upgrade infrastructure without passing on big lot rent increases to residents
- MHCR helps parks upgrade infrastructure without burdening residents with costs

High Demand for MHCR Grants

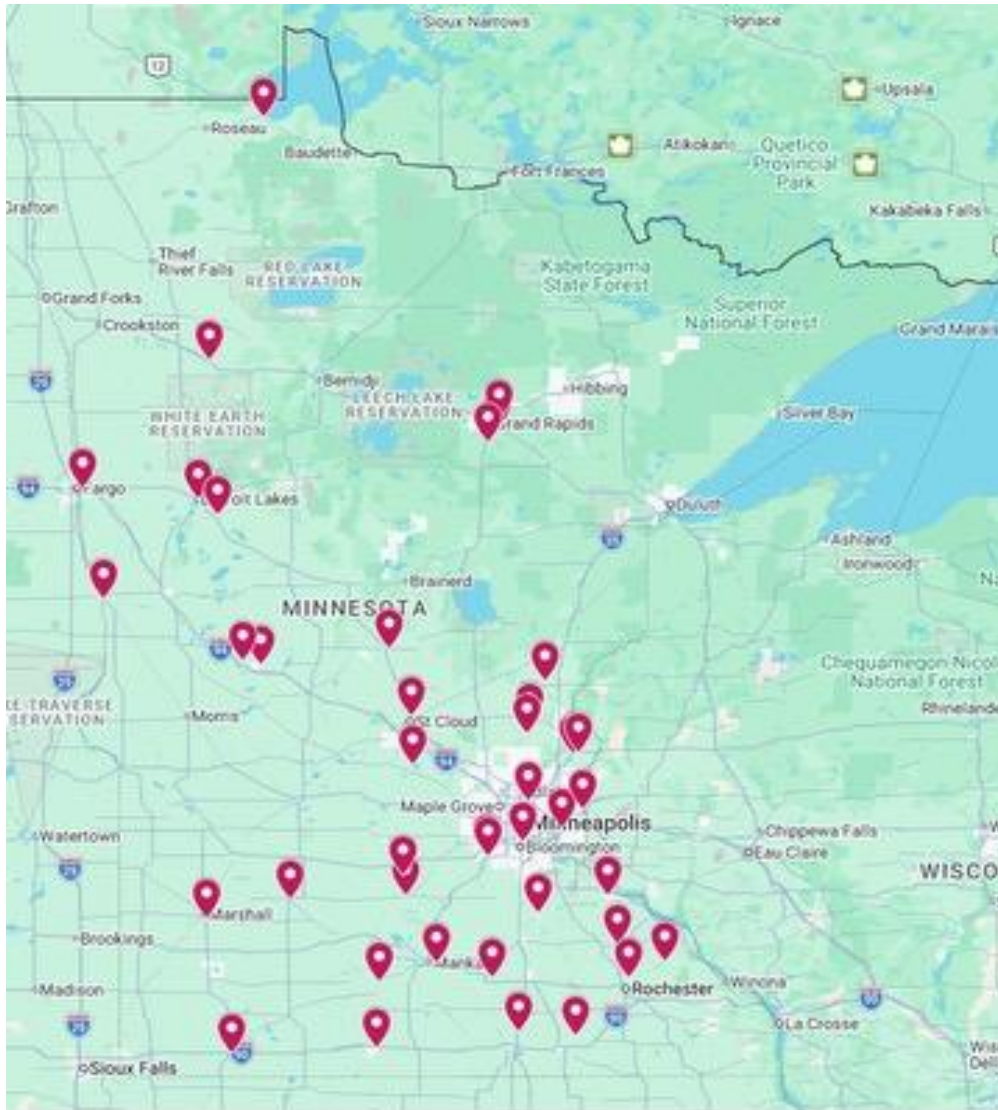
- Since its inception, manufactured home communities have requested \$84.8M in funding for infrastructure projects. A total of \$43.2M in grants have been awarded (see table)
- Just over half of funding requests (51%) were awarded – over \$40M in requests could not be funded
- In 2024, only 19% of funding requests were awarded (a record low) due to a low grant award pool
- In 2025, the MHCR program returned to base funding (\$2M per biennium) with no RFP that year

MHCR Funding by Year & Region

MHCR Application Year	Funds Requested	Funds Awarded	% Funded
2020	\$5,054,642	\$2,380,000	47%
2021	\$9,488,798	\$7,953,335	84%
2022	\$25,727,065	\$8,767,552	34%
2023	\$31,262,836	\$21,523,177	69%
2024	\$13,277,895	\$2,574,181	19%
2025	No Request for Proposal	\$0	0%
Total 2020-2025	\$84,811,236	\$43,198,245	51%

Region	Unique Grants Awarded	Total Funds Awarded	% of Funds
Greater Minnesota	48	\$34,554,163	80%
7-County Metro	9	\$8,644,082	20%
Total	57	\$43,198,245	100%

MHCR Funding by Location



Impact of MHCR Grants on Resident-Owned Cooperatives

- 11 resident-owned communities supported by CoNorth have received over \$20M in grant awards
- These awards have helped preserve over 800 affordable housing units in these communities at a cost of \$25K per manufactured home lot
- MHCR grants have funded more than 35 major infrastructure improvement projects including sanitary sewer upgrades, roadwork, water main replacement, electrical system improvements, drainage projects to prevent flooding and erosion, storm shelter construction and accessibility improvements
- Of these improvement projects, 30 are complete and the others are on track for completion this year or next year