

**SUBMITTAL TO THE BOARD OF COMMISSIONERS  
OF THE HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE**

509 B

**FROM:** Executive Director

**SUBMITTAL DATE:** January 21, 2003

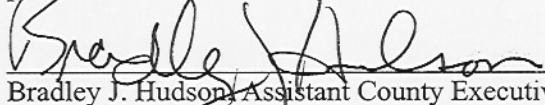
**SUBJECT: Public Hearing: Comments on Proposed Sale of Real Property**

**RECOMMENDED MOTION:** That the Board of Commissioners shall:

1. Conduct a Public Hearing to receive comments on the conveyance of real property (commonly known as Breezewood Apartments) by the Housing Authority; and
2. Authorize the proposed sale as determined to be necessary by the Authority; and
3. Direct the Executive Director of the Housing Authority to take any necessary actions or execute any related documents to complete the proposed transaction.

**JUSTIFICATION:** The Housing Authority of the County of Riverside (Housing Authority) proposes to convey the Breezewood Apartment complex located at 1365 N. Main Street, Riverside to KDF Communities, LLC in order to facilitate its rehabilitation and continued operation. KDF Communities is a long-term owner of rental units and has rehabilitated or developed 19 affordable housing projects in California, comprising 2,237 units.

The Housing Authority acquired the Breezewood Apartment complex, via a Revenue Bond (Series A 1988) issuance and then in 1998 issued its refunding Revenue Bonds to improve the project and to refund its Revenue Bonds. (Riverside Apartments Project.) The bonds are limited obligations of the Authority and are payable exclusively from revenues to be derived from net rental income of the project. The Breezewood Apartment Project has relied heavily on other Housing Authority funds due to the fact that the net annual revenues and annual expenses do not result in a net operating income sufficient to cover the costs of debt service. The Housing Authority proposes to pay off the bonds through this sale. The Breezewood Apartments would continue to maintain the affordability covenants as are currently in place.

  
Bradley J. Hudson, Assistant County Executive Officer/EDA

Financial Data

Current Year Cost: N/A

Net County Cost: N/A

Budget Adjustment: N/A

Source of Funds: N/A

Annual Cost: N/A

In Current Year Budget: N/A

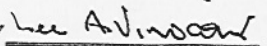
For FY: N/A

Companion Item on Board of Supervisor's Agenda: No

Source of Funds:

FORM APPROVED  
COUNTY COUNSEL

JAN 30 2003

BY 

REVIEWED BY EXECUTIVE OFFICE

DATE 2-4-03R