

744
**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Economic Development Agency

SUBMITTAL DATE: July 10, 2003

SUBJECT: Agreement By and Between the Redevelopment Agency, Chiriaco Summit Water District, and Joseph L. Chiriaco, Inc.

RECOMMENDED MOTION: That the Board of Supervisors make the following findings:

1. The proposed Agreement By and Between the Redevelopment Agency, Chiriaco Summit Water District, and Joseph L. Chiriaco, Inc. will be of benefit to the community of Chiriaco Summit because it will result in the construction of certain public improvements within the community, and is consistent with Section 33334.2(e)(2) of the California Health and Safety Code;
2. The project is necessary to eliminate a condition (specifically, a water system that needs to be improved in order to provide fire suppression water service to the District's service area) that jeopardizes the health and safety of current low and moderate income residents, and will assist in the elimination of blighting conditions by helping to ensure that the community is served by water system facilities that will accommodate economic development and redevelopment; The project is consistent with the Redevelopment Plan and Implementation Plan for the Desert Communities Redevelopment Project Area; and No other reasonable means of financing the project is available to the community.

Bradley J. Hudson
Bradley J. Hudson, Assistant CEO/EDA

FINANCIAL DATA:

CURRENT YEAR COST: \$125,000

NET COUNTY COST: \$0

BUDGET ADJUSTMENT: NO

COMPANION ITEM ON BOARD OF DIRECTORS' AGENDA: Yes

SOURCE OF FUNDS: Desert Communities Redevelopment Project Area Housing Set-Aside Funds

ANNUAL COST \$0

IN CURRENT YEAR BUDGET: Yes

FOR FY: 2003/2004

C.E.O. RECOMMENDATIONS:

APPROVE

County Executive Officer Signature: *Bronnda King*

Department Recommendation: Consent Policy
Per Executive Office: Consent Policy

Prev. Agn. Ref.
N/A

Dist.
4th

AGENDA NO.

3.22

FORM APPROVED
COUNTY COUNSEL

JUL 18 2003

Bradley J. Hudson

Form 11

July 10, 2003

Agreement By and Between the Redevelopment Agency, Chiriaco Summit Water District,
and Joseph L. Chiriaco, Inc.

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BACKGROUND:

The Chiriaco Summit Water District (District) operates a water system that provides domestic and fire suppression water service to the community of Chiriaco Summit. The District's water system needs to be significantly improved in order to provide fire suppression water service to its service area. The necessary improvements are part of the proposed Chiriaco Summit Water District Fire Suppression Improvement Project.

The Fire Suppression Improvement Project consists of the installation of pipelines, fire hydrants, and a fire pump, all of which are sized to provide the community with fire flows and pressures meeting applicable requirements. The Redevelopment Agency's contribution to this component would be \$100,000, and the overall project cost is \$275,000; the balance of the financing is being provided by the U.S. Department of Agriculture.

The project also includes mobile home rehabilitation efforts within a mobile home park development consisting of 16 mobile homes, all of which are occupied by low-income individuals or families; the park is owned by Joseph L. Chiriaco, Inc. (Chiriaco). Redevelopment Law (Section 33334.2(e)(2) of the California Health and Safety Code) authorizes the Redevelopment Agency to utilize Low Moderate Income Housing Funds to pay for onsite or offsite improvements so long as: a) the improvements are part of the new construction or rehabilitation of affordable housing units for low- or moderate-income persons that are directly benefited by the improvements, and b) the Redevelopment Agency requires that the units remain available at affordable housing cost to, and occupied by, persons and families of low or moderate income. The Redevelopment Agency's contribution to the mobile home rehabilitation efforts would be \$25,000.

As part of the proposed Agreement, Chiriaco has executed an Agreement Containing Covenants Affecting Real Property by which Chiriaco has agreed to ensure that a minimum of 16 mobile home spaces be made available for rent at rates affordable to low-income families for a period of 55 years. The Covenant will assist the County in its endeavors to provide affordable, safe, and sanitary housing opportunities to low income and special needs households within the County of Riverside.

County Counsel has approved the attached Agreement as to form. Staff recommends that the Board approve the Agreement. A companion item appears on today's Board of Supervisors' agenda.

FISCAL IMPACT:

The project will be funded with Redevelopment Agency Housing Set-Aside Funds, and there will be no impact on the County's General Fund.

A companion item appears on today's Board of Directors' agenda.