

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

501



FROM: Economic Development Agency

SUBMITTAL DATE:
December 7, 2004

SUBJECT: Partial Release of Loan Agreement for the Use of HOME Funds for Cottonwood Place II Apartments in the City of Moreno Valley.

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Approve the attached Partial Release of Loan Agreement for the Use of HOME funds between the County of Riverside and Heacock Cottonwood II, L.P.;
- 2) Approve the attached Partial Release of Intercreditor Agreement between the Community Redevelopment Agency of the City of Moreno Valley, the County of Riverside, and Heacock Cottonwood II, L.P.;
- 3) Approve the attached Partial Reconveyance;
- 4) Authorize the Chairman of the Board to sign the attached Partial Release Agreements; and
- 5) Authorize the Assistant County Executive Officer, Economic Development Agency (Assistant CEO/EDA) to take all necessary steps to implement these Agreements, including signing the Parcel Map and subsequent essential and relevant documents.

Departmental Concurrence

BACKGROUND:
(Cont'd).

[Signature]
Bradley J. Hudson
Assistant County Executive Officer/EDA

BJH:RZ:TF
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FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0.00	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0.00	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0.00	For Fiscal Year:	2004/2005

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA:	
SOURCE OF FUNDS: HOME Investment Partnerships Act Grant Funds	Positions To Be Deleted Per A-30 <input type="checkbox"/>
	Requires 4/5 Vote <input type="checkbox"/>

C.E.O. RECOMMENDATION: **APPROVE**

County Executive Office Signature *[Signature]*

- Policy
- Consent
- Per Exec. Off.:
- Consent
- Dep't Recomm.:

Prev. Agn. Ref.: 3.15-11/18/2003 District: 5th Agenda Number:

**ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD**

3.7

BACKGROUND (Cont'd):

The project is a multi-family affordable housing project currently being constructed on vacant land of approximately 6.5 acres on the southeast corner of Cottonwood Avenue and Heacock Street in the City of Moreno Valley.

At the time the HOME Agreement was executed, the vacant land, consisting of Parcels 1, 2, and 3, had not been subdivided. The current project is being built on Parcel 2. The HOME and Intercreditor Agreements recorded encompassed all these three parcels.

The developer has requested that the County release its lien on Parcel 1, and 3 of the subdivided map, thereby, enabling the developer to proceed with their plan to develop the remaining vacant parcels. The developer has received a tax credit allocation on Parcel 3 to develop Cottonwood Place III.

County Counsel has approved the attached Partial Release of Loan Agreement for the Use of HOME funds, Partial Release of Intercreditor Agreement, Partial Reconveyance, Request for Payoff Demand, and Parcel Maps as to form. Staff recommends that the Board approve the attached documents.

FISCAL IMPACT:

The project will be funded with HOME Investment Partnerships Act grant funds, and there will be no impact on the County's General Fund.