

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

173



FROM: Economic Development Agency

SUBMITTAL DATE:
June 23, 2005

SUBJECT: Loan Agreement for the Use of HOME Investment Partnerships Act Funds for Lincoln Family Apartments in the community of Mecca

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Approve the attached Loan Agreement for the use of \$950,000 in HOME Program Funds between the County of Riverside and Lincoln Family Apartments, L.P.;
- 2) Authorize the Chairman of the Board to sign the attached Agreement; and
- 3) Authorize the Interim Assistant County Executive Officer, Economic Development Agency or her designee to take all necessary steps to implement this Agreement, including signing subsequent essential and relevant documents

BACKGROUND: Lincoln Family Apartments, L.P., a California Limited Partnership (the "Applicant"), whose general partner is Global Premier Development Inc., is proposing to use \$950,000 in HOME funds for the development and construction of a 57-unit rental housing complex for families.

Departmental Concurrence

Robin Zimpfer

RZ:ER:TF

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Robin Zimpfer
Interim Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 950,000.00	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:	2005/2006

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

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

Bhonda King

Dept't Recomm.:
Per Exec. Ofc.:

Consent
 Policy

Consent
 Policy

Prev. Agn. Ref.: 3.9 -3/15/2005
16.1 - 5/3/2005

District: 4th

Agenda Number:

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

3.23

BACKGROUND (Cont'd):

The project has a mix of 28 two-bedroom, and 28 three-bedroom units. One additional two-bedroom unit will be set aside for on-site manager. The development will be constructed on a 4.4 acre site on the southeast corner of Lincoln Street and 65th Avenue in the community of Mecca of the unincorporated Riverside County. The development will include a community building of approximately 1,685 square feet with lounge area, kitchen facilities, offices, exercise gymnasium, mail room, restrooms, laundry facilities, a swimming pool and spa. The development will have plenty of useable open space. The individual units come equipped with central heat and air conditioning, and full kitchens including refrigerator, dishwasher, range, and garbage disposal. The two-bedroom units are approximately 908 square feet and the three-bedroom units are approximately 1,058 square feet.

The estimated total development cost for the project is approximately \$9,945,349. The Applicant will use HOME funds for the reimbursement of fees, permits, and hard dwelling construction costs. Other funding sources include: a limited partner tax credit equity contribution of \$6,728,457 and a permanent loan from AIG of \$1,751,584. Eleven HOME-assisted units will be set aside for the benefit of Very-Low income households whose income do not exceed 50% of the Riverside County Median Income respectively for a period of at least 55 years. The remainder of the units is restricted to households whose income do not exceed 60% Median Income. County HOME funds of \$950,000 shall be in a second position subordinated to a construction or permanent financing of a first deed of trust loan.

On March 15, 2005, the Board approved the Notice of Finding of No Significant Impact on the Environment, and the County has received authorization from the U.S. Department of Housing and Urban Development to incur costs. The project activity was included in the 2005/2006 One Year Action Plan of the Consolidated Plan on May 3, 2005.

County Counsel has reviewed and approved the attached Resolution. 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.