

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

356



**FROM:** Economic Development Agency

**SUBMITTAL DATE:**  
June 30, 2005

**SUBJECT:** Second Amendment to Loan Agreement For the Use of HOME Funds, Promissory Note, and Deed of Trust With Assignment of Rents For Mission Palms I Apartments

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve the attached Second Amendment to Loan Agreement for the Use of HOME Funds, Promissory Note, and Deed of Trust with Mission LaRue Limited Partnership;
2. Authorize the Chairman of the Board to sign all of the attached documents; 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:** On August 13, 2002, the Board of Supervisors approved a Loan Agreement for the Use of HOME Funds with Mission LaRue Limited Partnership which provides for construction and permanent financing of a 109 unit rental housing for independent living seniors in the community of Rubidoux.

Departmental Concurrence

*Robin Zimpfer*

RZ:ER:TF

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Robin Zimpfer  
Interim Assistant County Executive Officer/EDA

<b>FINANCIAL DATA</b>	<b>Current F.Y. Total Cost:</b>	\$ 0.00	<b>In Current Year Budget:</b>	Yes
	<b>Current F.Y. Net County Cost:</b>	\$ 0.00	<b>Budget Adjustment:</b>	No
	<b>Annual Net County Cost:</b>	\$ 0.00	<b>For Fiscal Year:</b>	2005/2006

**COMPANION ITEM ON BOARD OF DIRECTORS AGENDA:** No

**SOURCE OF FUNDS:** HOME Investment Partnerships Act Grant Funds

<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

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

**APPROVE**

**County Executive Office Signature**

*Bronda King*

Policy  
 Policy  
 Consent  
 Consent  
 Dep't Recomm.:  
 Per Exec. Ofc.:

**Prev. Agn. Ref.:** 3.19 -8/13/2002, 3.17-12/10/02, 3.13-1/5/2005

**District:** 2nd

**Agenda Number:**

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

3.18

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**BACKGROUND (Cont'd):**

The Agreement was first amended on December 10, 2002 to reflect changes prior to finalizing the permanent capital contributions from the limited partners. The project was completed and the Certificate of Occupancy was received on September 1, 2004. Notice of Completion was subsequently recorded on December 23, 2004. The owner of the complex, Mission LaRue Limited Partnership, has requested to amend the HOME Agreement, Promissory Note, and Deed of Trust with Assignment of Rents to comply with certain repayment requirements imposed by Fannie Mae in obtaining a permanent financing through them. In addition, the County has requested that the affordability periods be extended from 30 years to 55 years after the issuance of the final Certificate of Occupancy. The County's financial position in the project will not be altered by such request.

**PROJECT DESCRIPTION:**

The housing complex has a mix of 88 one-bedroom and 20 two-bedroom units. One three-bedroom unit is set aside for on-site manager. The project is located in the northeast corner of Mission Boulevard and La Rue Street in the community of Rubidoux. Eleven HOME-assisted units are set aside for the benefit of very low income households.

County Counsel has reviewed and approved the attached Second Amendment to Loan Agreement for the Use of HOME Funds, Promissory Note, and Deed of Trust With Assignment of Rents as to form. Staff recommends that the Board approve the attached documents.

**FISCAL IMPACT:**

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