

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

161



**FROM:** Economic Development Agency

**SUBMITTAL DATE:**  
January 9, 2007

**SUBJECT:** First Amendment to Grant Agreement for the Use of HOME Investment Partnerships Act Funds for Tierra Del Sol Senior Housing Apartments in Cathedral City

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

1. Approve the attached First Amendment to Grant Agreement for the Use of HOME funds with Tierra Del Sol; and
2. Authorize the Chairman of the Board to sign the attached Agreement; and
3. Authorize the Assistant County Executive Officer/EDA or designee to take all necessary steps to implement the Grant Agreement, including signing subsequent necessary and relevant documents.

**BACKGROUND:** On April 1, 2003, the Board of Supervisors approved a Grant Agreement in the amount of \$750,000 with Tierra Del Sol, a California non-profit public benefit corporation and subsidiary of Mercy Housing California, for the development and construction of a 76-unit rental housing complex for independent living seniors age 62 and over in the City of Cathedral City.  
(continued on page 2)

RZ:JC:JV:ER:TF:JG

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*Robin Zimpfer*  
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Assistant County Executive Officer/EDA

**FINANCIAL DATA**

Current F.Y. Total Cost:	\$ 1,038,000	In Current Year Budget:	Yes
Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
Annual Net County Cost:	\$ 0	For Fiscal Year:	2006/2007

**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**

*Jennifer August*

FORM APPROVED COUNTY COUNSEL

JAN 11 2007 Departmental Concurrence

Consent  
 Policy  
 Consent  
 Policy

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

Prev. Agn. Ref.: 3.10-1/14/03; 9.2-3/11/03;  
3.13-4/01/03

District: 4th

Agenda Number:

5001 706 13 0010: P5  
 RECEIVED RIVERSIDE COUNTY

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

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**BACKGROUND (Cont'd):**

The project has escalated \$593,000 due to substantial cost increases in building materials and labor and higher utility connection fees. Tierra Del Sol has requested that the County provide additional HOME funds in the amount of \$288,000. The Affordable Housing Program from the Federal Home Loan Bank will contribute \$305,000 to the remaining gap. The original HOME Grant amount of \$750,000 would then be amended to \$1,038,000. The original development cost was initially estimated at \$12,549,800. The current development cost of the project is now at \$13,142,800.

The project is currently scheduled to be completed by the end of March 2007.

County Counsel has reviewed and approved the attached First Amendment to the Grant Agreement for the Use of HOME Funds. Staff recommends that the Board approve the attached documents.