

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

570



FROM: Economic Development Agency

SUBMITTAL DATE:
June 29, 2007

SUBJECT: Loan Agreement for the Use of HOME Funds for Beaumont Commons Apartments

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached Loan Agreement for the use of \$750,000 in HOME Program Funds between the County of Riverside and Beaumont Commons LLC;
2. Authorize the Chairman to sign the attached Agreement; and
3. Authorize the Assistant County Executive Officer/EDA or designee to take all necessary steps to implement the Agreement to include signing subsequent essential and relevant documents.

BACKGROUND: Beaumont Commons LLC, a California limited liability company (the "Applicant"), is proposing to use \$750,000 in HOME funds for the development and construction of a 120-unit multifamily housing complex for low-income families (the "Project"). The housing complex will be built on a 4.14 acre vacant lot located in an existing urban residential neighborhood in the City of Beaumont.

(Continued on page 2)

COUNTY COUNSEL

JUL 03 2007
Michelle Goeke
BY Michelle Goeke

RZ:DL:ER:TF:LB
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Robin Zimpfer
Robin Zimpfer
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 750,000	In Current Year Budget:	YES
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	NO
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2007/2008

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 L. Sargent
BY
Jennifer L. Sargent

Policy

Consent

Dept's Recomm.:

Per Exec. Ofc.:

Prev. Agn. Ref.: 3.18: 6/5/2007
9.2: 7/3/2007

District: 5th

Agenda Number:

3.15

Form 11 (Rev 06/2003)

BACKGROUND (Continued):

PROJECT DESCRIPTION:

The proposed project is located on Assessor Parcel Number 419-170-031 on Xenia Avenue in the City of Beaumont. It is bounded by Allegheny Avenue to the east, Eighth Street to the north and Sixth Street to the south. The project will consist of 26 one-bedroom units, 57 two-bedroom units and 36 three-bedroom units. One additional two-bedroom unit will be set-aside for an onsite manager's unit. The units will be located in 5 three-story, wood frame, stucco buildings. The one-bedroom units are approximately 707 square feet, the two-bedroom units are approximately 939 square feet and the three-bedroom units are approximately 1,202 square feet. All units will be equipped with a refrigerator, dishwasher, combination range/oven, garbage disposal, and central heating/cooling. Each unit will include a private outdoor area in the form of either a balcony or patio. The residents of Beaumont Commons will have access to a tot lot, play lot, two basketball courts, a 2,451 square foot facility that will provide licensed daycare for up to 79 children and a 1,200 square foot community room to include a kitchenette with refrigerator, sink and microwave. The applicant has proposed to set aside 119 HOME-assisted units.

The HOME funds will be used to assist the developer with planning, submittal fees, and soft and hard construction expenses. Other funding sources for the project include a \$5,381,623 private loan, a \$691,354 deferred loan from the Redevelopment Agency of the City of Beaumont, a \$6,747,869 deferred loan from Housing and Community Development (HCD) Multifamily Housing Program (MHP) funds, \$816,720 in Transportation Uniform Mitigation Fee (TUMF) Waiver from the City of Beaumont, a deferred developer fee of \$32,919 and \$5,649,290 in Tax Credit Equity. The total development cost is estimated to be \$20,069,775.

On June 5, 2007, 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 2006-2007 One-Year Action Plan.

County Counsel has reviewed and approved the attached Loan Agreement. Staff recommends that the Board approve the attached Agreement.