

426



**SUBMITTAL TO THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

**FROM:** Redevelopment Agency

**SUBMITTAL DATE:**  
March 7, 2008

**SUBJECT:** Agreement for Vineyards at Menifee Apartments in the Community of Menifee

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

1. Approve the attached Grant Agreement with Palm Desert Development Company;
2. Approve the attached Covenant Agreement;
3. Authorize the Chairman of the Board of Directors to sign the Grant Agreement and Covenant Agreement; and
4. Authorize the Executive Director or designee to take all necessary steps to implement these Agreements, including, but not limited to, signing subsequent necessary and relevant documents.

**BACKGROUND:** Palm Desert Development Company, a California corporation ("PDDC"), is requesting funds from the Redevelopment Agency for the County of Riverside ("Agency") to acquire approximately 4.8 acres for the development and construction of an approximately 81-unit senior apartment complex, Vineyards at Menifee, for low-income senior households in the unincorporated community of Menifee (the "Project"). (Continue on page 2)

*Robin Zimpfer*  
Robin Zimpfer  
Executive Director

RZ:DL:ER:TF:JG

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|                       |                               |              |                         |           |
|-----------------------|-------------------------------|--------------|-------------------------|-----------|
| <b>FINANCIAL DATA</b> | Current F.Y. Total Cost:      | \$ 2,000,000 | 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 SUPERVISORS AGENDA:** No

|                                                                              |                                  |                          |
|------------------------------------------------------------------------------|----------------------------------|--------------------------|
| <b>SOURCE OF FUNDS:</b> Redevelopment Low- and Moderate-Income Housing Funds | Positions To Be Deleted Per A-30 | <input type="checkbox"/> |
|                                                                              | Requires 4/5 Vote                | <input type="checkbox"/> |

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

APPROVE  
BY: *Jennifer L. Sargent*  
Jennifer L. Sargent

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL  
BY: *Michelle Clack*  
MICHELLE CLACK  
DATE: 3/14/08  
Departmental Concurrence

Dep't Recomm.:  Consent  Policy

Per Exec. Ofc.:  Consent  Policy

Prev. Agn. Ref.: \_\_\_\_\_ District: 3rd Agenda Number: \_\_\_\_\_

The Project site is situated to the northeast corner of Newport Road and Winter Hawk Road in the unincorporated area of the County in the community of Menifee just outside of the Redevelopment Project Area I-215. The Assessor's Parcel Number is 338-170-025.

The Project will consist of 64 one-bedroom units, 16 two-bedroom units, and one on-site manager's unit. The one-bedroom units are approximately 561 square feet and the two-bedroom units are approximately 781 square feet. All units will be equipped with full kitchens, including refrigerator, dishwasher, combination range/oven, microwave, garbage disposal, and central heating/cooling. Each unit will also include a balcony or patio. Elevators will be provided to the second floor of all the buildings. The residents will have access to a 5,000 square foot community building that will include a community meeting room, kitchen, laundry room, and manager's office. Additional on-site amenities include a pool, putting green, and leisure areas for the seniors to use.

A total of thirty nine (39) units ("Assisted Units") will be reserved for low-income senior households whose incomes do not exceed sixty percent (60%) area median income for the County, adjusted by family size at the time of occupancy. The period of affordability will be for 55 years from the certificate of occupancy.

The Redevelopment Agency Low- and Moderate-Income Housing Set-Aside Funds will be utilized for this land acquisition. PDDC will process the entitlement, change of zone, and seek other gap financing including but not limited to federal and/or state tax credit financing for the development and construction of the site.

In June 2008, the incorporation of the community of Menifee is expected to be voted on by residents. If the voters should elect and approve the incorporation of Menifee, the Project will no longer be inside the territorial jurisdiction of the Agency. Consequently, the Redevelopment Low- and Moderate-Income Housing funds cannot be provided to the Project as it will no longer reside inside the jurisdiction of the Agency. This Agreement shall become null and void if the incorporation of Menifee is approved by voters prior to close of escrow of PDDC acquisition of the Project site.

County Counsel has reviewed and approved the attached Grant Agreement and Covenant Agreement. Staff recommends that the Board approve the attached documents.