

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

535



FROM: Redevelopment Agency

SUBMITTAL DATE:
March 18, 2008

SUBJECT: Adoption of Resolution No. 2008-035 supporting the application for funding of Paseo De Los Heroes II in the community of Mecca

RECOMMENDED MOTION: That the Board of Directors adopt the attached Resolution No. 2008-035 supporting the application of Coachella Valley Housing Coalition for Low-Income Housing Tax Credits for Paseo De Los Heroes II Mobile Home Park ("Project") in the community of Mecca.

BACKGROUND: Coachella Valley Housing Coalition (CVHC), a California Non-Profit Public Benefit Corporation, is applying to the California Tax Credit Allocation Committee (TCAC) for a reservation of tax credits for Paseo De Los Heroes II Mobile Home Park, an affordable, multi-family rental project in the community of Mecca.

(continued on page 2)

Departmental Concurrence

FORM APPROVED COUNTY COUNSEL

BY: MICHELLE CLACK DATE: 3/21/08

RZ:DL:ER:TF:MT

S:\RDACOM\HOUSING\2008 RDA Housing Projects\ Paseo De Los Heroes II\Form 11-TCAC

Robin Zimpfer
Robin Zimpfer
Executive Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 1,525,000	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

SOURCE OF FUNDS: 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

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

Prev. Agn. Ref.:	District: 4th	Agenda Number:
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BACKGROUND (continued):

The TCAC application must be submitted on or prior to April 9, 2008 to be considered for the current funding availability. The allocation of the low-income housing tax credits will be used to finance the bulk of the Project's development costs. Currently, there is a financing gap of approximately \$1,525,000. In order to complete the tax credit application process, CVHC must provide TCAC with a Resolution from the local jurisdiction providing support for the Project. Additionally, CVHC has requested that the Redevelopment Agency for the County of Riverside contribute \$1,525,000 to the Project to fill the gap.

The need to expand the affordable housing stock for low-income and special needs households is a high priority in Riverside County's Consolidated Plan. The attached Resolution will support CVHC's request for tax credits for Paseo De Los Heroes II in the community of Mecca. The Resolution will also direct staff to recommend to the Board of Directors the loan of \$1,525,000 in Low-and Moderate-Income Housing Funds for development and construction eligible activities of the Project, subject to the applicable legal requirements, Project receiving all applicable permits, County approval, and negotiation of an Agency agreement satisfactory to the Board.

PROJECT DESCRIPTION:

The proposed Project is located on approximately 10 acres of vacant land on the east side of Lincoln Street, to the west of Johnson Street and to the south of 63rd Avenue with Assessor Parcel Number 727-030-036 in the community of Mecca. The Project will result in a combination of fifty-two (52) mobile home park spaces and mobile homes for rent. The Project will consist of 11 two-bedroom units, 33 three-bedroom units, and 8 four-bedroom units. In addition to the fifty-two rental units there will be one (1) on-site manager's unit that will be located within the proposed 2,697 sq ft; two story community building that will also house a maintenance garage, a computer lab, an office and a full kitchen. There will be access to an outdoor courtyard from the kitchen that will be equipped with barbeque grills and a picnic area that can be utilized by the community for indoor and outdoor events and activities. Additional on-site amenities include tot lots, sports courts, large green areas and a formal outdoor recreational area for the enjoyment of the residents.

The estimated development cost for the Project is \$18,136,777. Funding will include a \$3,000,000 United States Department of Agriculture (USDA) Section 514 loan, \$1,525,000 Agency Loan, \$1,000,000 Joe Serna Jr., Farm Worker Housing Grant, \$200,000 CVHC equity, and a \$383,000 deferred developer's fee. The balance of \$12,028,777 will come from the tax credit equity financing.

CVHC agrees to reserve 25 units for very low-income households ("Assisted Units"). Assisted Units shall be limited to households whose incomes do not exceed fifty percent (50%) area median income for the County, adjusted by family size at the time of occupancy, as defined by California Health and Safety Code Sections 50079.5 and 50105.

RDA RESOLUTION No. 2008-035

**SUPPORTING THE APPLICATION FOR
LOW-INCOME HOUSING TAX CREDITS FOR
PASEO DE LOS HEROES II
(Fourth Supervisorial District)**

WHEREAS, The Redevelopment Agency for the County of Riverside ("Agency") is a redevelopment agency duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the provisions of the California Community Redevelopment Law which is Part 1 of Division 24 of the California Health and Safety Code (commencing with Section 33000 et seq.); and

WHEREAS, pursuant to Section 33449 of the Health and Safety Code, the Agency may acquire land, donate land, improve sites, or construct structures in order to provide housing for persons and families of low- or moderate- income; and

WHEREAS, pursuant to Section 33334.2 of the Health and Safety Code, not less than 20 percent of tax increment shall be used by Agency for the purpose of increasing, improving and preserving the community's affordable housing; and

WHEREAS, the Agency wishes to facilitate development of affordable housing for persons and families of low- or moderate-income; and

WHEREAS, the California Tax Credit Allocation Committee ("TCAC") provides funding for affordable housing projects through its application process; and

WHEREAS, the application deadline to be considered for the current funding availability through TCAC is April 9, 2008; and

WHEREAS, the Coachella Valley Housing Coalition ("CVHC") intends to submit an application for TCAC funding for the development of affordable rental units on a vacant site located on the east side of Lincoln Street to the west of Johnson Street and to the south of 63rd Avenue, known as Assessor Parcel Number 727-030-036 ("Site") in the community of Mecca; and

RDA RESOLUTION NUMBER 2008-035

PASEO DE LOS HEROES II - COACHELLA VALLEY HOUSING COALITION

FORM APPROVED COUNTY COUNSEL
BY:  DATE: 3/24/08
MICHELLE CLACK

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1 **WHEREAS**, the CVHC proposes to develop fifty-two (52) affordable rental units and one
2 (1) manager's unit ("Project"); and

3 **WHEREAS**, the Project currently has a financing gap of approximately \$1,525,000; and

4 **WHEREAS**, to complete the TCAC application process CVHC must provide a resolution
5 from the Agency supporting the Project; and

6 **WHEREAS**, the CVHC has successfully completed several affordable housing projects
7 in Riverside County.

8 **BE IT RESOLVED, DETERMINED, AND ORDERED** by the Board of Directors for the
9 Redevelopment Agency for the County of Riverside, State of California, in regular session
10 assembled on April 1, 2008, as follows:

- 11 1) That the Board of Directors hereby finds and declares that the above recitals are true
12 and correct.
- 13 2) That the Board of Directors supports the CVHC's application for a reservation of tax
14 credits funding for Paseo De Los Heroes II, a fifty-two (52) unit mobile home park
15 proposed to be located in the community of Mecca in Riverside County.
- 16 3) That the Board of Directors agrees to provide financing of up to \$1,525,000 from the
17 Low- and Moderate-Income Housing Set-Aside Funds to the CVHC for development and
18 construction eligible activities of the Project, subject to the applicable legal requirements,
19 Project receiving all applicable permits, County approval, and negotiation of an Agency
20 agreement satisfactory to the Board.
- 21 4) That the Board of Directors directs staff to prepare and bring back for approval an
22 agreement with CVHC for the Project and formally request the allocation of up to
23 \$1,525,000 in Low- and Moderate-Income Housing Set-Aside Funds.
- 24 5) Additionally, the term of the Low- and Moderate-Income Housing Funds loan will be
25 three percent (3.00%) interest over fifty-five (55) years payable from Project's Residual
26 Receipts.
- 27 6) The Low- and Moderate-Income Housing Funds loan is conditioned upon the successful
28 receipt of TCAC funding.

RDA RESOLUTION NUMBER 2008-035

PASEO DE LOS HEROES II - COACHELLA VALLEY HOUSING COALITION

1 7) The Board of Directors commitment to provide funding is valid until April 1, 2009, and
2 shall thereafter have no force or effect, unless an Agency agreement has theretofore
3 been approved and executed by the Board of Directors and the CVHC, with respect to
4 the Project.

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