

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

628



FROM: Redevelopment Agency

SUBMITTAL DATE:
March 26, 2008

SUBJECT: Acquisition and Rehabilitation Agreement for Marine Drive Properties in Hemet

RECOMMENDED MOTION: That the Board of Directors:

1. Approve the attached Acquisition and Rehabilitation Agreement, Deed of Trust and Covenant Agreement ("Agreements") with Riverside Housing Development Corporation;
2. Authorize the Chairman of the Board of Directors to sign the Agreements; and
3. 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: Riverside Housing Development Corporation, a California nonprofit benefit corporation ("RHDC"), is requesting funds from the Redevelopment Agency for the County of Riverside ("Agency") to acquire and rehabilitate seven (7) multiplex properties for rental to qualified low or moderate-income households in the unincorporated area of the County south of the City of Hemet (the "Project").

(Continue on page 2)

Departmental Concurrence

FORM APPROVED COUNTY COUNSEL
BY: Michelle Clack 3/27/08 DATE
MICHELLE CLACK

RZ:DL:ER:TF:MM

Robin Zimpfer
Robin Zimpfer

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Executive Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 3,300,000	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

- Policy
- Consent
- Policy
- Consent

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

Prev. Agn. Ref.:

District: 3rd

Agenda Number:

BACKGROUND (continued): The properties of the Project are located along Marine Drive, east of Meridian Street, west of Stanford Street, south of Florida Avenue and north of Briarwood Avenue. The Project is located just outside of the Redevelopment Mid-County Project Area.

The properties of the Project are located at:

1. 41909 Marine Drive, Hemet, CA 92544 known as APN 438-110-034;
2. 41920 Marine Drive, Hemet, CA 92544 known as APN 438-110-028;
3. 41956 Marine Drive, Hemet, CA 92544 known as APN 438-110-025;
4. 41957 Marine Drive, Hemet, CA 92544 known as APN 438-110-038;
5. 41969 Marine Drive, Hemet, CA 92544 known as APN 438-110-039;
6. 41981 Marine Drive, Hemet, CA 92544 known as APN 438-110-040; and
7. 41992 Marine Drive, Hemet, CA 92544 known as APN 438-110-022.

The proposed Project will include a total of twenty-four (24) units consisting of four (4) threeplexes and three (3) fourplexes. The Project will include twenty-one (21) two-bedroom units and three (3) three-bedroom units. One (1) three-bedroom unit will be reserved for an on-site residential manager's unit.

RHDC will reserve twenty-three (23) units ("Assisted Units") for qualified persons and families of low or moderate income limited to households whose incomes do not exceed one hundred and twenty percent (120%) area median income for the County, adjusted by family size at the time of occupancy. Thirteen (13) Assisted Units will be reserved for low-income households whose incomes do not exceed eighty percent (80%) area median income for the County, adjusted by family size at the time occupancy.

The estimated total acquisition and rehabilitation cost for the Project is approximately \$4,535,000. RHDC will secure a bank loan in the amount of \$1,235,000. Redevelopment Agency Low- and Moderate-Income Housing Set-Aside Funds will be utilized for gap financing, acquisition and rehabilitation costs of the Project. The period of affordability of the Project will be for fifty-five (55) years.

County Counsel has reviewed and approved the attached Acquisition and Rehabilitation Agreement, Deed of Trust and Covenant Agreement. Staff recommends that the Board of Directors approve the attached documents.