

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

765



FROM: Redevelopment Agency

SUBMITTAL DATE:
May 29, 2008

SUBJECT: First Amendment to Loan Agreement for Tres Lagos Senior Apartments in Wildomar

RECOMMENDED MOTION: That the Board of Directors:

1. Approve the attached First Amendment to Loan Agreement and Deed of Trust for Tres Lagos Senior Apartments ("Amendments") by and between the Redevelopment Agency for the County of Riverside and Palm Desert Development Company;
2. Authorize the Chairman of the Board of Directors to execute said attached Amendments; and
3. Authorize the Executive Director or designee to take all necessary steps to implement Amendments, including, but not limited to, signing subsequent necessary and relevant documents.

BACKGROUND: On June 5, 2007, the Redevelopment Agency for the County of Riverside (the "Agency") provided a loan to Palm Desert Development Company ("PDDC"), a California corporation, in the amount of \$4,365,000 ("Agency Loan") in Redevelopment Low- and Moderate-Income Housing Set-Aside Funds ("Agency Funds") to acquire approximately 10.16 acres for the development and construction of an approximately 204-unit senior apartment complex in the community of Wildomar (the "Project").

(Continued on page 2)

Robin Zimpfer

Robin Zimpfer
Executive Director

RZ:DL:ER:TF:MM

S:\RDACOM\HOUSING\2007 RDA Housing Projects\Tres Lagos Senior Apts\Form 11\F11 - 1st Amend Tres Lagos Acq Loan.doc

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	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

FORM APPROVED COUNTY COUNSEL
DATE: 6/12/08
BY: Michelle Clack

Departmental Concurrence

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

Prev. Agn. Ref.: 4.3-6/5/2007

District: 1st

Agenda Number:

4.6

BACKGROUND (continued): On February 5, 2008, voters of the community of Wildomar elected for city incorporation. As of July 1, 2008, the Project will no longer reside in the territorial jurisdiction of the Agency. Consequently, the Agency cannot provide additional Agency Funds to the Project.

PDDC has requested that the Agency Loan, with the principal amount of \$4,365,000, be converted to a grant and staff recommends approval of such request.

Pursuant to the Covenant Agreement, PDDC has agreed to construct and restrict all units for lower income senior households for a period of fifty-five (55) years.

County Counsel has reviewed and approved the attached First Amendment to Loan Agreement for Tres Lagos Senior Apartments. Staff recommends that the Board of Directors approve the attached document.