

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

562



FROM: Redevelopment Agency

SUBMITTAL DATE:
September 4, 2008

SUBJECT: Amended and Restated Disposition and Development Agreement for the 37th Street and Wallace Street Infill Housing Project

RECOMMENDED MOTION: That the Board of Directors:

1. Approve the attached Amended and Restated Disposition and Development Agreement with Riverside Housing Development Corporation;
2. Approve the attached Deed of Trust with Assignment of Rents and Promissory Note;
3. Authorize the Chairman of the Board of Directors to sign the Amended and Restated Disposition and Development Agreement; and
4. Authorize the Executive Director or designee to take all necessary steps to implement the Amended and Restated Disposition and Development Agreement including, but not limited to, signing the Deed of Trust and subsequent necessary and relevant documents.

BACKGROUND: On July 26, 2005, a Disposition and Development Agreement ("DDA") between Riverside Housing Development Corporation, a California corporation ("Developer"), and the Redevelopment Agency for the County of Riverside ("Agency") was approved by the Board of Directors for the purpose of constructing three single-family homes affordable to lower-income homebuyers within the Jurupa Valley Project Area (the "Project"). A Notice of Exemption was filed on March 12, 2003.
(Continued on page 2)

RZ:DL:ER:TF:LB

Robin Zimpfer

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Executive Director

F:\Shared\RDACOM\HOUSING\2005 RDA Housing Projects\37th & Wallace\F11 Form 11\F11_Amend_DDA.doc

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 310,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2008/2009

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
MICHELLE CLACK

Dept Recomm.: Consent Policy
Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: 4.1: 7/26/2005

District: 2nd

Agenda Number:

4.2

Form 11 - Amended and Restated Disposition and Development Agreement for the 37th Street and
Wallace Street Infill Housing Project

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BACKGROUND (continued):

The Developer has experienced a substantial increase in construction costs and has requested additional funds to build the project.

The Project will be constructed on an unimproved vacant site located at the southeast corner of 37th Street and Wallace Street in the community of Rubidoux. The Assessor's Parcel Numbers are 179-252-015 and 179-252-016.

The original DDA provided for a loan from the Agency in the amount of \$45,000 in Redevelopment Set-Aside Funds ("Set-Aside Funds"). The Amended and Restated Disposition and Development Agreement ("Amendment") will change the original loan amount from \$45,000 to \$310,000 ("Agency Loan") in the form of a deferred loan from Set-Aside Funds to meet the increased gap cost of the project. Originally, the project's total development cost was to be approximately \$593,000. The new total development cost is estimated to be \$1,015,000.

All three units will remain affordable to households whose incomes do not exceed 80% of median family income for a period of at least 45 years from the issuance of a Certificate of Occupancy.

At the completion of these homes, portions of this loan will be assumed by each qualified homebuyer as a silent second mortgage for 45 years. A total of two, four-bedroom homes and one, three-bedroom home will be constructed. The four-bedroom units are approximately 1,400 square feet, and the three-bedroom unit is approximately 1,300 square feet.

In addition to the loan of \$310,000 in Set-Aside Funds, the Developer will secure a construction loan of \$705,000.

County Counsel has reviewed and approved the attached Amended and Restated Disposition and Development Agreement, Deed of Trust with Assignment of Rents, and Promissory Note. Staff recommends that the Board approve the attached documents.