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



FROM: Redevelopment Agency

SUBMITTAL DATE:
November 14, 2008

SUBJECT: Assignment and Contribution Agreement for Tres Lagos Senior Apartments in the City of Wildomar

RECOMMENDED MOTION: That the Board of Directors:

1. Approve the attached Assignment and Contribution Agreement for Tres Lagos Senior Apartments;
2. Authorize the Chairman of the Board of Directors to execute said attached Assignment and Contribution Agreement; and
3. Authorize the Executive Director or designee to take all necessary steps to implement the Assignment and Contribution Agreement 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 to acquire approximately 10.16 acres in the community of Wildomar (the "Property") for the development and construction of a 204-unit senior apartment complex for lower income senior households (the "Project").

(Continued on page 2)

RZ:DL:ER:TF:MM

Robin Zimpfer
Robin Zimpfer
Executive Director

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FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	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

Jennifer L. Sargent
BY
Jennifer L. Sargent

County Executive Office Signature

- Consent
- Policy
- Consent
- Policy

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

Prev. Agn. Ref.: 4.3 of 6/5/2007; and 4.6 of 6/24/2008
District: 1st
Agenda Number:

FORM APPROVED COUNTY COUNSEL
DATE 11/24/08
MICHELLE CLACK

Departmental Concurrence

Form 11 - Assignment and Contribution Agreement for Tres Lagos Senior Apartments in the City of Wildomar

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BACKGROUND (continued): On February 5, 2008, voters of the community of Wildomar voted to incorporate as a city. The City incorporated on July 1, 2008, and the Project no longer resides in the territorial jurisdiction of the Agency. Consequently, the Agency cannot provide additional Agency Funds to the Project.

On June 24, 2008, the Board of Directors approved the conversion of the Agency Loan, with the principal amount of \$4,365,000, to a grant.

Wildomar Tres Lagos Limited Partnership (the "Partnership"), a California limited partnership, was formed to act as the entity to construct and operate the Project. The Partnership intends to obtain an allocation of federal and State Low-Income Housing Tax Credits to attract third party investor equity to assist in financing the Project. PDDC is the administrative general partner of the Partnership.

PDDC desires to contribute the Property to the capital of the Partnership for the construction of the Project and to assign to the Partnership all of its residual rights, title, and interests. The Agency consents to the assignment of PDDC's rights and obligations to the Partnership and PDDC's transfer of the Property to the Partnership.

Pursuant to the recorded Covenant Agreement, the Partnership agrees 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 Assignment and Contribution Agreement. Staff recommends that the Board of Directors approve the attached document.