

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

640



**FROM:** Redevelopment Agency

**SUBMITTAL DATE:**  
December 3, 2008

**SUBJECT:** Adoption of RDA Resolution Number 2008-069, Authorization to Purchase Real Property – APNs 179-330-003 and 179-330-005 – 2<sup>nd</sup> Supervisorial District

**RECOMMENDED MOTION:** That the Board of Directors:

1. Adopt RDA Resolution No. 2008-069, Authorization to Purchase Real Property, APNs 179-330-003 and 179-330-005;
2. Allocate the sum of \$6,100,000 for the purchase of the real property, option and extension fees, notes, relocation assistance, and miscellaneous costs;
3. Approve and execute the Assignment and Assumption Agreement between Northtown Housing Development Corporation and the Redevelopment Agency for the County of Riverside;
4. Approve and execute the Memorandum of Understanding between Northtown Housing Development Corporation and the Redevelopment Agency for the County of Riverside;
5. Authorize the Chairman of the Board of Directors to execute all documents related to this transaction;
6. Authorize and direct the Clerk of the Board to certify acceptance of any documents pertaining to this transaction; and

Continued on page 2

*Robin Zimpfer*  
\_\_\_\_\_  
Robin Zimpfer, Executive Director

RZ:DL:TE:JP:DSC

S:\RealProperty\Real Property\District Projects\Dist 2\COTTONWOOD MHP  
REHAB\RDA Fm 11 authorization 12-02-08.doc

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 6,100,000	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

<b>SOURCE OF FUNDS:</b> Redevelopment Low and Moderate Income Housing Set-Aside Funds	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

APPROVE

BY: *Jennifer L. Sargent*  
\_\_\_\_\_  
Jennifer L. Sargent

**County Executive Office Signature**

- Policy
- Policy
- Consent
- Consent

Dept Recomm.:  
Per Exec. Ofc.:

Prev. Agn. Ref.:      District: 2      Agenda Number:

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

4.2

Reviewed by  
CP TEAM  
Christopher Hans  
FORM APPROVED COUNTY COUNSEL  
BY: Michelle Clack  
DATE: 12/15/08

December 3, 2008

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**RECOMMENDED MOTION:**

7. Approve the Agreement for Consulting Services and Authorize the Executive Director of the Redevelopment Agency or designee to execute the Agreement for Consulting Services and take all necessary steps including executing associated documents in order to complete this purchase.

**BACKGROUND:**

The proposed transaction will provide for the acquisition of approximately 3.43 acres of real property at fair market value, located in the Rubidoux area. The property is currently improved with approximately 63 small older single wide mobile homes and travel trailers located at Mission Boulevard and Crestmore Drive in the unincorporated area of Rubidoux.

The Agency will provide relocation benefits and assistance to all qualified tenants of the park as required under the California Relocation Assistance Act of 1970. The negotiated price is consistent with current property values in the Jurupa area based on an independent fee appraisal report and considering the public purposes will be achieved by removing blight and improving the health and safety of the community.

Northtown Housing Development Corporation (NHDC), a nonprofit corporation, has entered into a Standard Offer, Agreement and Escrow Instructions for Purchase of Real Estate with Cottonwood Limited Liability Company (collectively the "Acquisition Agreements") at a negotiated purchase price of \$2,350,000 for the Property. NHDC desires to assign said Acquisition Agreements to Agency, in exchange for a Memorandum of Understanding including Exclusive Right to Negotiate (MOU) with Agency. The MOU includes a Predevelopment Loan in an amount not to exceed Six Hundred Sixty Thousand Dollars (\$660,000) for predevelopment activities including, but not limited to, obtaining entitlements relating to the Property.

Prior to the close of escrow, Agency shall reimburse NHDC \$50,000 for the purchase deposit of the Property that it incurred prior to the date of assignment. All documents, studies, designs, produced through the third party for the Property shall become the property of the Agency for its sole use and discretion

The project scope and development budget have not yet been fully developed. The development of the project will be contingent upon full California Environmental Quality Act (CEQA) compliance and development review.

The following summarizes the funding necessary for the acquisition of the Property:

Land Acquisition (APNs 179-330-003 and 179-330-005) including \$200,000 notes Held by owner on the mobile homes	\$ 2,350,000
Relocation Benefits (estimated)	\$ 2,600,000
Personal Property (in addition to the above notes on estimated 65 Mobile Homes)	\$ 200,000
Relocation Consultant	\$ 130,000
Appraisal of Coaches	\$ 22,750
Predevelopment Loan to Northtown Development	\$ 660,000
Emergency Repairs & Board Up	\$ 25,000
Miscellaneous	\$ 100,000
<b>TOTAL:</b>	<b>\$ 6,087,750</b>
<b>ROUNDED:</b>	<b>\$ 6,100,000</b>

Form 11- Adoption of RDA Resolution Number 2008-069, Authorization to Purchase Real Property – APNs 179-330-003 and 179-330-005 – Second Supervisorial District

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Any overages in the budget will be refunded to the Redevelopment Housing Set-Aside Funds subsequent to the closing of escrows.

Notice of publication to satisfy the California Government Code Section 6063 has been published on November 25, December 1 and 8, 2008. Proof of publication are attached. Agency staff recommends approval of Resolution No. 2008-069 and allocation of \$6,100,000 from the Low and Moderate Income Housing Set-Aside Funds.

1 **BOARD OF DIRECTORS**

**REDEVELOPMENT AGENCY**

2 **RDA RESOLUTION NO. 2008-069**  
3 **AUTHORIZATION TO PURCHASE REAL PROPERTY**  
4 **APNs 179-330-003 & 179-330-005**  
5 **(Second Supervisorial District)**

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

11 **WHEREAS**, on July 9, 1996, the Riverside County Board of Supervisors adopted  
12 Ordinance Nos. 762 and 763 approving the Redevelopment Plan (the "Plan"), for the  
13 Jurupa Valley Project Area ("Project Area"), which amended and merged several  
14 smaller project areas adopted 1986, 1987, 1988, and 1989; and

15 **WHEREAS**, pursuant to Section 33670 of the Health and Safety Code, the  
16 Agency began receiving tax increment from the Project Area in January 1989, and  
17 continues to receive annual tax increment revenue; and

18 **WHEREAS**, pursuant to the provisions of the Community Redevelopment Law,  
19 Section 33391 of the Health and Safety Code, the Agency may acquire, within a survey  
20 area or for purposes of redevelopment, any interest in real property; and

21 **WHEREAS**, the Agency desires to acquire real property identified as Assessor's  
22 Parcel Numbers 179-330-003 and 179-330-005 (the "Property"), more particularly  
23 described in Exhibit "A" attached hereto and made a part hereof; and

24 **WHEREAS**, the Property is located in the Rubidoux area of the Project Area; and

25 **WHEREAS**, based on their own appraisal, Northtown Housing Development  
26 Corporation ("Northtown") has entered into Purchase and Sale Agreement and Joint  
27 Escrow Instructions, dated April 10, 2008, as amended by that certain First Amendment  
28 to Purchase and Sale Agreement and Joint Escrow Instructions dated October 31, 2008  
and as further amended by that certain Second Amendment to Purchase and Sale

FORM APPROVED COUNTY COUNSEL  
BY: MICHELLE CLACK  
DATE: 8/15/07

1 Agreement and Joint Escrow Instructions dated December 1, 2008, with Cottonwood  
2 Limited Liability Company (collectively the "Acquisition Agreements") at a negotiated  
3 purchase price of \$2,150,000 for the Property plus \$200,000 for promissory notes  
4 carried by Cottonwood Limited Liability Company; and

5 **WHEREAS**, prior to closing escrow, the Agency will substantiate the purchase  
6 price by obtaining an independent fee appraisal report from a qualified appraiser  
7 retained by the Agency; and

8 **WHEREAS**, Northtown desires to assign the Acquisition Agreements to Agency,  
9 in exchange for a Memorandum of Understanding including Exclusive Right to  
10 Negotiate with Agency for the development of the Property (the "MOU"); and

11 **WHEREAS**, the Agency desires to assume the Acquisition Agreements and  
12 enter into the MOU with Northtown; and

13 **WHEREAS**, the MOU includes a Predevelopment Loan to Northtown from  
14 Agency in an amount not to exceed Six Hundred Sixty Thousand Dollars (\$660,000) for  
15 predevelopment activities related to the development of the Property, including initiating  
16 the entitlement process; and

17 **WHEREAS**, no later than January 12, 2009, Agency shall reimburse Northtown  
18 for the purchase deposit of the Property that Northtown incurred prior to the date of  
19 assignment and all documents, studies, designs, produced through the third party for  
20 the Property shall become the property of the Agency for its sole use and discretion; and

21 **WHEREAS**, the Property is approximately 3.43 acres of occupied land, therefore,  
22 relocation assistance will be required; and

23 **WHEREAS**, the Agency is allocating an additional amount of \$130,000 for a  
24 relocation consultant; \$22,750 for appraisal of the mobile home coaches existing on the  
25 Property; \$2,600,000 for relocation benefits; \$200,000 for personal property; and  
26 \$125,000 to cover miscellaneous transaction expenses; and

27  
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**LEGAL DESCRIPTION**

**EXHIBIT "A"**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE UNINCORPORATED AREA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

**PARCEL 1:**

That portion of Lot 2 of Amended Map of Indian Hill Tract, as shown on Map recorded in Book 10, Page 3 of Maps, in the Office of the County Recorder of Riverside County, California, described as follows:

Commencing at the intersection of the Northeasterly line of Mission Boulevard with the Southeasterly line of Crestmore Road; thence North 37° 42' East, along said Southeasterly line of Crestmore Road, a distance of 300 feet to the Point of Beginning of the property herein described;

Thence continuing along said Southeasterly line of Crestmore Road, North 37° 42' East, a distance of 304 feet; thence South 58° 33' East, a distance of 265 feet; thence South 37° 42' West, a distance of 304 feet; thence North 58° 33' West, a distance of 265 feet, more or less, to the Point of Beginning.

Except therefrom the Northeasterly 100 feet thereof, said Northerly 100 feet being measured at right angles to the Northerly line of the above described land.

**PARCEL 2:**

The Northeasterly 100 feet of that portion of Lot 2, as amended Map of Indian Hill Tract, as shown on Map recorded in Book 10, Page 3, of Maps, in the Office of the County Recorder of Riverside County, California, described as follows:

Beginning at the intersection of the Northeasterly line of Mission Boulevard with the Southeasterly line of Crestmore Road; thence Northeasterly along the said Southeasterly line, 300 feet for the True Point of Beginning; thence continuing Northeasterly along said Southeasterly line, a distance of 304 feet; thence South 58° 33' East, 325 feet; thence South 37° 42' West, 304 feet; thence North 58° 33' West, 325 feet to the True Point of Beginning;

Excepting therefrom the Southeasterly rectangular 60 feet thereof.

**PARCEL 3:**

That portion of Lot 2, as shown by Amended Map of Indian Hill Tract, as shown on Map recorded in Book 10, Page 3 of Maps, in the Office of the County Recorder of Riverside County, California described as follows:

Beginning at the intersection of the Northeasterly line of Mission Boulevard and the Southeasterly line of Crestmore Road; thence Southeasterly, along said Northeasterly line of Mission Boulevard, 325 feet; thence North 37° 42' East, 300 feet; thence North 58° 33' West, 325 feet, more or less, to said Southeasterly line of Crestmore Road; thence Southwesterly on said Southeasterly line of Crestmore Road, 300 feet, more or less, to the Point of Beginning.

Except therefrom a right of way and incidents thereto for State Highway, upon, over and across the Southwesterly portion of said property, conveyed to State of California by Deed recorded October 26, 1931 in Book 55, Page 74 of Official Records;

Also except therefrom that portion conveyed to State of California by Deed recorded November 30, 1942 in Book 563, Page 83 of Official Records;

Also except therefrom that portion set out as Parcel No. 73 in that certain judgment in eminent domain entered in an action in the Superior Court of Riverside County, Case No. 68711, described as follows:

Commencing at the Southwesterly corner of said Lot 2; thence North 38° 24' 10" East, along the Northwesterly line of said Lot 2, a distance of 40.06 feet to a point thereon, for the True Point of Beginning, said point being the most Northerly corner of the certain parcel of land conveyed to the State of California by Deed recorded in Book 563, Page 83 of Official Records;

Thence South 57° 36' 50" East, along the Northeasterly line of the parcel so conveyed to the State, a distance of 324.86 feet to the most Easterly corner thereof, said point being in the Southeasterly line of that certain parcel of land conveyed to David J. Deniers, et al, by Deed recorded in Book 1972, Page 324 of Official Records of said Riverside County;

Thence North 38° 24' 10" East, along said Southeasterly line, a distance of 60.35 feet to the point thereon, said point being on a curve concave to the Northeast, having a radius of 1460.00 feet, from which the center of said curve bears North 25° 59' 42" East; thence Northwesterly, along said curve, to the right, through a central angle of 03° 22' 58", an arc distance of 86.20 feet to the end thereof, from which the center of said curve bears North 29° 22' 40" East; thence North 60° 37' 20" West, a distance of 181.38 feet; thence North 17° 31' West, a distance of 71.54 feet to an intersection with said Northwesterly line of said Lot 2, a distant thereon North 38° 24' 10" East, a distance of 90.00 feet from the most Northerly corner of the parcel conveyed to the State as aforesaid; thence South 38° 24' 10" West, along said Northwesterly line, a distance of 90.00 feet to the True Point of Beginning.

APN: 179-330-003, 005