

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



469C

FROM: Economic Development Agency

SUBMITTAL DATE:
December 10, 2009

SUBJECT: First Amendment to Loan Agreement for the Use of Neighborhood Stabilization Program Funds with Housing Authority of the County of Riverside

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the First Amendment to Loan Agreement for the Use of Neighborhood Stabilization Program (NSP) Funds between the County of Riverside and Housing Authority of the County of Riverside (First Amendment);
2. Authorize the Chairman of the Board of Supervisors to execute said First Amendment (attached); and
3. Authorize the Assistant County Executive Officer/EDA or designee to take all necessary steps to implement the First Amendment including, but not limited to, signing subsequent necessary and relevant documents.

BACKGROUND: (Commences on Page 2)

Robert Field
Assistant County Executive Officer/EDA

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:	2009/2010

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

SOURCE OF FUNDS: Neighborhood Stabilization Program 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

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
DATE: 12/16/09
BY: MICHELLE CLACK
Departmental Concurrence

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

Prev. Agn. Ref.: Item 3.23 of 6/16/2009

District: 1st, 2nd, 3rd, 5th | **Agenda Number:**

3.16

BACKGROUND:

On June 16, 2009, the Board of Supervisors approved a Loan Agreement for the use of NSP Funds with the Housing Authority of the County of Riverside ("HACR"), in the amount up to \$3,000,000 for financing of acquisition, rehabilitation and disposition of approximately twelve single-family homes to qualified low-, moderate- and middle-income (LMMI) first-time homebuyers in designated Target Areas, as defined in the County of Riverside Substantial Amendment to the 2008-2009 One-Year Action Plan, within Lake Elsinore, Canyon Lake, Temecula, Beaumont, Rubidoux, Murrieta, San Jacinto, Eastvale, Home Gardens, and French Valley (the "NSP Loan Agreement").

HACR is having difficulties locating eligible properties built after 1978 within the allowed Target Areas in the NSP Loan Agreement.

HACR is requesting to amend the NSP Loan Agreement from requiring "homes must be built after 1978" and modify to "homes must not be older than 50 years and must not be listed on, or eligible for listing on, the National Register of Historic Places" as provided in the Substantial Amendment to the 2009-2010 One-Year Action Plan.

County Counsel has reviewed and approved as to form the attached First Amendment to Loan Agreement for the Use of Neighborhood Stabilization Program Funds. Staff recommends that the Board approve the First Amendment to Loan Agreement for the Use of Neighborhood Stabilization Program Funds.

1 NO FEE FOR RECORDING PURSUANT
2 TO GOVERNMENT CODE 6103

3 RECORDING REQUESTED BY AND
4 WHEN RECORDED MAIL TO:

5 County of Riverside
6 Economic Development Agency
7 1325 Spruce Street, Suite 400
8 Riverside, CA 92507
9 Attn: Juan Garcia

10 SPACE ABOVE THIS LINE FOR RECORDERS USE

11 **FIRST AMENDMENT TO LOAN AGREEMENT FOR THE USE OF**
12 **NEIGHBORHOOD STABILIZATION PROGRAM FUNDS**

13 This First Amendment to Loan Agreement for the Use of Neighborhood
14 Stabilization Program Funds ("First Amendment") is made and entered into as of the ____
15 day of _____, 2009, by and between the COUNTY OF RIVERSIDE
16 ("COUNTY") and HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE ("HACR"),
17 a public body, corporate and politic of the State of California.

18 WITNESSETH:

19 WHEREAS, COUNTY and HACR entered into Loan Agreement for the Use of
20 Neighborhood Stabilization Program Funds ("NSP Loan Agreement") on June 16, 2009; and

21 WHEREAS, under the terms and conditions of the NSP Loan Agreement, COUNTY
22 agreed to lend up to Three Million Dollars (\$3,000,000) of NSP funds to HACR for individual
23 financing of acquisition, rehabilitation and disposition of approximately twelve (12) single-
24 family homes to qualified low-, moderate- and middle-income ("LMMI") first-time
25 homebuyers in the County of Riverside (the "Project") which is further described in Exhibit A
26 of the NSP Loan Agreement; and

27 WHEREAS, eligible properties and target areas are defined in Exhibit A of the NSP
28 Loan Agreement; and

WHEREAS, pursuant to the definition of eligible properties, homes must be built after
1978; and

WHEREAS, pursuant to the NSP Loan Agreement, eligible properties or assisted units
must reside inside areas of greatest need within the designated Target Areas of the County of

1 Riverside as defined in the County's 2008-2009 One Year Action Plan. The eligible properties
2 for the Project must lie within the Target Areas of Lake Elsinore, Canyon Lake, Temecula,
3 Beaumont, Rubidoux, Murrieta, San Jacinto, Eastvale, Home Gardens, and French Valley;
4 and

5 WHEREAS, HACR is having difficulties locating eligible properties built after 1978
6 within the allowed Target Areas; and

7 WHEREAS, the COUNTY'S Substantial Amendment to the 2009-2010 One-Year
8 Action Plan provides that properties must not be older than 50 years and must not be listed on,
9 or eligible for listing on, the National Register of Historic Places; and

10 WHEREAS, HACR has requested to amend the NSP Loan Agreement to allow HACR
11 to acquire homes not older than 50 years and must not be listed on, or eligible for listing on,
12 the National Register of Historic Places; and

13 WHEREAS, amending NSP loan agreement will assist the COUNTY to fulfill its
14 requirements under Neighborhood Stabilization Program; and

15 WHEREAS, COUNTY and HACR agree to amend the NSP Loan Agreement from
16 requiring "homes must be built after 1978" to "homes must not be older than 50 years and
17 must not be listed on, or eligible for listing on, the National Register of Historic Places;" and

18 NOW, THEREFORE, in consideration of the foregoing, and the promises and mutual
19 covenants and conditions hereinafter set forth, COUNTY and HACR do hereby agree as
20 follows:

- 21 1. The NSP Loan Agreement shall be amended from requiring "homes must be built
22 after 1978" to "homes must not be older than 50 years and must not be listed on, or
23 eligible for listing on, the National Register of Historic Places."
- 24 2. All other terms and conditions of the NSP Loan Agreement remain unmodified and
25 in full force and effect.
- 26 3. This First Amendment may be signed by the different parties hereto in counterparts,
27 each of which shall be an original, but all of which together shall constitute one and
28 the same agreement.

4. The First Amendment is not binding until approved by the Board of Supervisors.

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1 IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of
2 the date first written above.

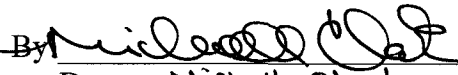
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4
5 COUNTY:
6 COUNTY OF RIVERSIDE

HACR:
HOUSING AUTHORITY OF THE
COUNTY OF RIVERSIDE

7
8 By: _____
9 JEFF STONE
10 Chairman, Board of Supervisors

By: _____
JEFF STONE
Chairman, Board of Commissioners

11 APPROVED AS TO FORM:
12 PAMELA J. WALLS
13 County Counsel

14 By: 
15 Deputy Michelle Clark 12/10/09

16
17 ATTEST:
18 KECIA HARPER-IHEM
19 Clerk of the Board

20 By: _____
21 Deputy

22
23
24
25 (All signatures on this page need to be notarized)

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA }

COUNTY OF _____ }

On _____, before me, _____
Date Here Insert Name and Title of the Officer

personally appeared _____
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity (ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Place Notary Seal Above

Signature _____
Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA }

COUNTY OF _____ }

On _____, before me, _____
Date Here Insert Name and Title of the Officer

personally appeared _____
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity (ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

Place Notary Seal Above

Signature of Notary Public