

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

520



FROM: Redevelopment Agency

SUBMITTAL DATE:
December 24, 2009

SUBJECT: First Amendment to Memorandum of Understanding Including Right to Negotiate with National Community Renaissance of California

RECOMMENDED MOTION: That the Board of Directors:

1. Approve the attached First Amendment to Memorandum of Understanding (First Amendment) between the Redevelopment Agency for the County of Riverside and National Community Renaissance of California;
2. Authorize the Chairman of the Board to sign the attached First Amendment; and
3. Authorize the Executive Director or his 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
Robert Field
Executive Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 589,400	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 SUPERVISORS AGENDA:

SOURCE OF FUNDS: Redevelopment Low-and Moderate-Income Housing Funds

Positions To Be Deleted Per A-30 ☐

Requires 4/5 Vote ☐

C.E.O. RECOMMENDATION:

APPROVE

Jennifer L. Sargent
Jennifer L. Sargent

County Executive Office Signature

FORM APPROVED-COUNTY COUNSEL
DATE 12/23/09
MICHELLE CLACK
Departmental Concurrence

Dep't Recomm.: ☐ Consent ☐ Policy ☒
Per Exec. Ofc.: ☐ Consent ☐ Policy ☒

Prev. Agn. Ref.: 4.2-12/16/2008

District: 4th

Agenda Number:

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

4.1
RDA-01a-F11
FRM 11 (REV 06/2003)

BACKGROUND:

On December 16, 2008, the Board of Directors approved a Memorandum of Understanding (MOU) and Right to Negotiate with National Community Renaissance of California (NCRC), a non-profit organization. The MOU included a pre-development loan in the amount of \$408,000 (Pre-Development Loan) for expenses that would be incurred in analyzing and investigating the development of an affordable housing project (Proposed Project) at certain real property located at 44071 Clinton Street in unincorporated Riverside County near the City of Indio.

NCRC has requested an additional \$589,400 from the Redevelopment Agency for the County of Riverside for additional costs that it will be incurring in order to finalize entitlements for the Proposed Project. The original Pre-Development Loan amount of \$408,000 would then be amended to \$997,400.

Agency Counsel has reviewed and approved as to form the attached First Amendment to Memorandum of Understanding Including Right to Negotiate (First Amendment). Staff recommends that the Board approved the attached First Amendment.

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
1325 Spruce Street, Suite 400
Riverside, CA 92501
Attn: Juan Garcia

7 SPACE ABOVE THIS LINE FOR RECORDERS USE

8 **FIRST AMENDMENT TO MEMORANDUM OF UNDERSTANDING**
9 **INCLUDING RIGHT TO NEGOTIATE**

10 This First Amendment to Memorandum of Understanding Including Right to Negotiate
11 ("First Amendment") is made and entered into as of the ____ day of _____, 2010,
12 by and between the REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE, a
13 public body, corporate and politic (hereinafter referred to as the "AGENCY") and National
14 Community Renaissance of California, a California nonprofit public benefit corporation
15 ("DEVELOPER").

16
17 WITNESSETH:

18 WHEREAS, AGENCY and DEVELOPER entered into a Memorandum of
19 Understanding Including Right to Negotiate ("AGENCY MOU") on December 16, 2008; and

20 WHEREAS, under the terms and conditions of the AGENCY MOU, AGENCY agreed
21 to lend up to Four Hundred Eight Thousand Dollars (\$408,000) of AGENCY funds ("Pre-
22 Development Loan") to DEVELOPER for expenses that will be incurred in analyzing and
23 investigating the development of an affordable housing project ("Proposed Project") located at
24 44071 Clinton Street, Indio in the unincorporated Riverside County ("Project Site"); and

25 WHEREAS, DEVELOPER will be incurring additional unforeseen costs to finalize
26 entitlements, initiate construction drawings, and incur application fees for State and Federal
27 funding for the Proposed Project; and

28 WHEREAS, the DEVELOPER desires to borrow an additional Five Hundred Eighty

1 Nine Thousand Four Hundred Dollars (\$589,400) from the AGENCY and the AGENCY is
2 willing to grant such request in order to finalize entitlements and make the Proposed Project
3 eligible and competitive for State and Federal funding.

4 NOW, THEREFORE, in consideration of the foregoing, and the promises and mutual
5 covenants and conditions hereinafter set forth, AGENCY and DEVELOPER do hereby agree
6 as follows:

- 7 1. The principal amount of the Pre-Development Loan shall be increased by Five Hundred
8 Eighty Nine Thousand Four Hundred Dollars (\$589,400).
- 9 2. The AGENCY MOU is hereby modified to reflect the total principal amount of the Pre-
10 Development Loan to be Nine Hundred Ninety Seven Thousand Four Hundred Dollars
11 (\$997,400).
- 12 3. Exhibit "A" of the AGENCY MOU is hereby replaced with the revised Exhibit "A" of
13 this First Amendment, which is attached hereto and by this reference incorporated
14 herein.
- 15 4. Exhibit "B" of the AGENCY MOU is hereby replaced with the revised Exhibit "B" of
16 this First Amendment, which is attached hereto and by this reference incorporated
17 herein.
- 18 5. This First Amendment and AGENCY MOU set forth and contain the entire
19 understanding and agreement of the parties hereto. There are no oral or written
20 representations, understandings, or ancillary covenants, undertakings or agreements,
21 which are not contained or expressly referred to within this First Amendment and
22 AGENCY MOU.
- 23 6. Each of the attachments and exhibits attached hereto are incorporated herein by this
24 reference
- 25 7. All other terms and conditions of the AGENCY MOU remain unmodified and in full
26 force and effect.
- 27
- 28

1 8. This First Amendment may be signed by the different parties hereto in counterparts,
2 each of which shall be an original but all of which together shall constitute one and the
3 same agreement.

4 9. The effective date of this First Amendment is the date the parties execute the First
5 Amendment. If the parties execute the First Amendment on more than one date, then the
6 last date the First Amendment is executed by a party shall be the effective date.

7 (END OF AGREEMENT)

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1 IN WITNESS WHEREOF, the AGENCY and DEVELOPER have executed this Agreement as
2 of the date first above written.

3
4 AGENCY

DEVELOPER

5
6 Redevelopment Agency for the
County of Riverside

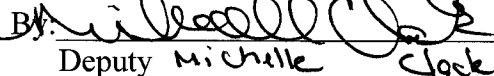
National Community Renaissance of California
a California nonprofit public benefit corporation

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8
9 By: _____
Chairman, Board of Directors

By: _____
Richard J. Whittingham, Chief Financial Officer

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11
12 APPROVED AS TO FORM:

13 PAMELA J. WALLS
14 Agency Counsel

15
16 By:  12/23/09
Deputy Michelle Clark

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

22 By: _____
23 Deputy

24
25
26 (All signatures on this page need to be notarized)
27
28

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)

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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.

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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

EXHIBIT "A"
Pre-development Budget

Description	Amount
MAI Appraisal	\$ 10,000
Architecture (Site Plan/Conceptual Renderings/50% construction drawings)	\$568,400
Geotechnical Engineer	\$ 10,000
Civil Engineering/ALTA	\$ 50,000
Consultants: Green/solar and utility	\$ 69,000
Entitlement and Design Review Fees	\$152,000
Phase I Environmental (update)	\$ 10,000
Noise and Traffic Reports	\$ 15,000
TCAC/CDLAC application fees	\$ 2,300
CDLAC deposit fees	\$ 70,000
Market Study	\$ 8,500
Contingency	<u>\$ 32,200</u>
Total Loan	\$997,400

EXHIBIT "B"**Schedule of Performance**

	Fast Track/ Expedited Timeline
Agency Approvals:	
Board approval of MOU/Pre-Development Agreement	November-2008
Board approval of DDA and CEQA	March-2010
Planning Schedule	
Submit to Planning (Zone Change, Parcel Map, and GPA)	October-2008
Complete review and resubmittal of any changes	September-2009
Land use committee approval	September-2009
Environmental Assessment Initiated	December-2009
Environmental Review Completed	January-2010
Planning Commission approval	September-2009
Board of Supervisors approval-zoning/Plot Plan	November-2009
Board of Supervisors-General Plan Amendment	January-2010
Financing	
Construction and Perm Loan Commitments	February-2010
MHP Application (or Replacement Source)	March-2010
MHP Award	June-2010
Tax Credit Application	July-2010
CDLAC Application	July-2010
TCAC/CDLAC Awards	October-2010
Issuance of bonds/syndication of credits (90 days from CDLAC award)	January-2011
AHP Application	April-2011
AHP Award	June-2011
Construction	
Start construction drawings	November-2009
50% completion construction drawings	February-2010
Complete construction drawings	August-2010
Submit construction drawings - Plan check (4 months)	September-2010
Secure building permits	January-2011
Construction Start	January-2011
Construction Completion (18 months)	September-2012
Placed In Service/Lease up/stabilization (3 months)	December-2012

- Assumes MHP round will be in March 2010, HCD will not confirm exact timeline as of the date of this agreement. In the event it's later the subsequent tasks will shift accordingly.