

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

468



**FROM:** Redevelopment Agency

**SUBMITTAL DATE:**  
December 10, 2009

**SUBJECT:** First Amendment to the Mountain View Estates Grant Agreement

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

1. Approve the attached First Amendment to the Mountain View Estates Grant by and between the Redevelopment Agency and Desert Empire Homes, a California corporation;
2. Authorize the Chairman of the Board to execute the attached First Amendment; and
3. Authorize the Executive Director or designee to take all necessary steps to implement this Agreement, including but not limited to, signing subsequent, necessary and relevant documents.

**BACKGROUND:** (Commences on Page 2)

Robert Field  
Executive Director

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 6,500,000	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:** No

<b>SOURCE OF FUNDS:</b> Redevelopment Low-and Moderate-Income Housing 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

**County Executive Office Signature**

FORM APPROVED COUNTY COUNSEL  
By: Michelle Clack  
DATE: 12/10/09  
Departmental Concurrence

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

Prev. Agn. Ref.: 4.1 - 4/08/08

District: 4th

Agenda Number:

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

4.6

**BACKGROUND:**

On April 8, 2008, the Board of Directors approved a Grant Agreement for the Use of Low- and Moderate-Income Housing Set-Aside Funds by and between the Redevelopment Agency for the County of Riverside ("AGENCY") and Desert Empire Homes, a California corporation ("OWNER") in the amount of \$5,000,000 ("AGENCY Grant") for the development and construction of the first phase of a 398 space mobile home park, Mountain View Estates, in Oasis, CA an unincorporated area of Riverside County.

During the design and the entitlement process the AGENCY along with various permitting agencies requested several design improvements to the Project. The design improvements shall consist of a two story, 6,000 square foot community center meeting the Riverside County Office of Education and Coachella Valley Unified School District requirements to accommodate day care services for Project residents, a newly imposed roadway upgrade that includes a bridge on Harrison Street and the relocation of a 36" irrigation line. Additionally, the total amount of mobile home park spaces to be constructed at the end of the second phase of the project development has increased from 360 spaces to 398 spaces. As a result, the OWNER has requested an increase to the AGENCY Grant Agreement in the amount of \$1,500,000. The new AGENCY Grant Agreement will increase from \$5,000,000 to \$6,500,000, to accommodate the unanticipated costs related to the requested improvements.

As a condition of disbursement of AGENCY Funds, the OWNER has agreed to deposit the OWNER Funds into an interest bearing escrow account in lieu of a Payment and Performance Bond. Any balance of OWNER Funds remaining in the interest bearing escrow account will remain until a Certificate of Occupancy is obtained and a Notice of Completion has been recorded.

Agency Counsel has approved the attached First Amendment as to form. Staff recommends that the Board approve the attached Agreement.