

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

508



FROM: Redevelopment Agency

SUBMITTAL DATE:
April 21, 2011

SUBJECT: Second Amendment to Loan Agreement with SL-Imperial, LLC

RECOMMENDED MOTION: That the Board of Directors:

1. Approve the attached Second Amendment to Loan Agreement with SL-Imperial, LLC;
2. Authorize the Chairman of the Board to execute the attached Second Amendment; and
3. Authorize the Executive Director, or designee, to take all necessary steps to implement the Second Amendment including, but not limited to, executing subsequent necessary and relevant documents.

BACKGROUND: (Commences on Page 2)

Robert Field
Executive Director

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:	2010/11

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

County Executive Office Signature
BY: Jennifer L. Sargent

Prev. Agn. Ref.: 4.1 of 9/1/2009; 4.3 of 5/4/2010 | **District:** ALL | **Agenda Number:** 4.2

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

FORM APPROVED COUNTY COUNSEL
BY: ANITA C. WILLIS
DATE: 4/11/11
Departmental Concurrence

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

BACKGROUND:

On September 1, 2009, the Board of Directors approved a Loan Agreement for the use of Redevelopment Agency funds with SL-Imperial, LLC (Imperial) for the acquisition, rehabilitation, and resale of vacant, foreclosed, and bank-owned single-family homes to qualified low- and moderate-income first-time homebuyers within the Jurupa Valley community of the unincorporated area of the County of Riverside.

On May 4, 2010, the Board of Directors approved the First Amendment to the Loan Agreement increasing the loan amount and expanding the activity of acquisition, rehabilitation, and resale within all unincorporated areas of the County of Riverside.

To date, Imperial has acquired and rehabilitated 20 properties. Of the 20 properties, ten have been sold to qualified low- and moderate-income first-time homebuyers, two under rehabilitation, five are listed for sale on the market, and three homes are currently in escrow to be sold.

Imperial has requested to extend the term of the Loan Agreement for an additional 15 months ending on May 31, 2012 in order to continue to purchase, rehabilitate, and sell additional homes. Extending the term of the Loan Agreement will assist the Redevelopment Agency in continuing to preserve, protect, improve, and increase the supply of affordable housing within the community.

Agency Counsel has reviewed and approved as to form the attached Second Amendment to Loan Agreement extending the term for one year. Staff recommends that the Board approve the attached Second Amendment.

1 NO FEE FOR RECORDING PURSUANT
2 TO GOVERNMENT CODE 6103

3 RECORDING REQUESTED BY AND
4 WHEN RECORDED MAIL TO:

5 Redevelopment Agency for the
6 County of Riverside
3403 10th Street, Suite 500
Riverside, CA 92501
Attn: Benjamin Cendejas

7 SPACE ABOVE THIS LINE FOR RECORDERS USE

8 **SECOND AMENDMENT TO LOAN AGREEMENT FOR THE USE OF**
9 **REDEVELOPMENT AGENCY FUNDS**

10 This Second Amendment to Loan Agreement for the Use of Redevelopment Agency
11 Funds ("Second Amendment") is made and entered into as of the ____ day of
12 _____, 2011, by and between the REDEVELOPMENT AGENCY FOR THE
13 COUNTY OF RIVERSIDE, a public body, corporate and politic ("AGENCY") and SL-
14 IMPERIAL, LLC, a California Limited Liability Company ("IMPERIAL").

15 WITNESSETH:

16 WHEREAS, AGENCY is a redevelopment agency duly created, established and
17 authorized to transact business and exercise its powers, all under and pursuant to the provisions
18 of the California Community Redevelopment Law ("CRL"), which is Part 1 of Division 24 of
19 the California Health and Safety Code (commencing with Section 33000 et seq.); and

20 WHEREAS, AGENCY, pursuant to Section 33334.2 of the California Health and Safety
21 Code, wishes to utilize its Low- and Moderate-Income Housing Set-Aside Funds to improve
22 and increase the supply of affordable housing in the unincorporated County of Riverside (the
23 "County"); and

24 WHEREAS, the Community Redevelopment Law provides that the territorial
25 jurisdiction of a county redevelopment agency is the unincorporated territory in that county;
26 and

27 WHEREAS, AGENCY endeavors to preserve, protect, improve and increase the
28 affordable housing stock and eliminate blight; and

WHEREAS, AGENCY and IMPERIAL entered into Loan Agreement for the Use of

1 Redevelopment Agency Funds (“AGENCY Loan”) on September 1, 2009; and

2 WHEREAS, under the terms and conditions of the AGENCY Loan, AGENCY agreed
3 to lend up to Three Million Dollars (\$3,000,000) of AGENCY funds to IMPERIAL for
4 acquisition, rehabilitation and resale of foreclosed and bank-owned single-family homes
5 located within the Jurupa Valley community to qualified low- and moderate-income first-time
6 homebuyers; and

7 WHEREAS, On May 4, 2010, AGENCY amended and increased the AGENCY Loan
8 from Three Million Dollars (\$3,000,000) to Four Million Five Hundred Thousand Dollars
9 (\$4,500,000) to purchase additional properties for the activity of acquisition, rehabilitation
10 and resale within all the unincorporated areas of the County of Riverside; and

11 WHEREAS, IMPERIAL requested to extend the term of the AGENCY Loan for an
12 additional 15-months ending on May 31, 2012; and

13 WHEREAS, amending the AGENCY Loan will assist the AGENCY in preserving,
14 protecting, improving and increasing the supply of affordable housing within the community.

15 NOW, THEREFORE, in consideration of the foregoing, and the promises and mutual
16 covenants and conditions hereinafter set forth, AGENCY and IMPERIAL do hereby agree as
17 follows:

- 18 1. The term of the AGENCY Loan shall be extended an additional 15-months ending on
19 May 31, 2012.
- 20 2. This Second Amendment, First Amendment, and AGENCY Loan set forth and contains
21 the entire understanding and agreement of the parties hereto. There are no oral or
22 written representations, understandings, or ancillary covenants, undertakings or
23 agreements, which are not contained or expressly referred to within this Second
24 Amendment, First Amendment, and AGENCY Loan.
- 25 3. All other terms and conditions of the AGENCY Loan remain unmodified and in full
26 force and effect.
- 27 4. This Second Amendment may be signed by the different parties hereto in counterparts,
28 each of which shall be an original but all of which together shall constitute one and the

1 same agreement.

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

5 6. This Second Amendment is not binding until approved by the Redevelopment Agency
6 Board of Directors.

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(END OF AGREEMENT)

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1 IN WITNESS WHEREOF, the AGENCY and IMPERIAL have executed this Second
2 Amendment as of the date first above written.

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4 AGENCY:

IMPERIAL:

5
6 REDEVELOPMENT AGENCY FOR THE
7 COUNTY OF RIVERSIDE

SL-IMPERIAL, LLC
a California Limited Liability Company

8
9 By: _____
10 BOB BUSTER
11 Chairman, Board of Directors

By:  _____
12 STEVEN LEVENSON
13 Member

14 APPROVED AS TO FORM:
15 PAMELA J. WALLS, Agency Counsel

16 By:  _____
17 Anita C. Willis, Deputy

18 ATTEST:

19 KECIA HARPER-IHEM
20 Clerk of the Board

21
22 By: _____
23 Deputy