

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

345



FROM: Economic Development Agency

SUBMITTAL DATE:
June 28, 2011

SUBJECT: Resolution No. 2011-182, Approving Sale of Real Property by the Redevelopment Agency for the County of Riverside Assessor Parcel Number 255-070-013

RECOMMENDED MOTION: That the Board of Supervisors:

1. Conduct a joint Public Hearing with the Redevelopment Agency Board of Directors per Health and Safety Code 33431 and 33433; and
2. Adopt Resolution No. 2011-182, Approving Sale of Real Property by the Redevelopment Agency for the County of Riverside.

BACKGROUND: (Commences on Page 2)

Robert Field

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2011/12

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: Yes

SOURCE OF FUNDS: N/A	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*
Jennifer L. Sargent

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
BY: ANITA C. WILLIS
DATE: 6-28-11
Departmental Concurrence

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

BACKGROUND:

On July 29, 2008, the Board of Directors ("Board") gave approval for the acquisition of the property located at the southwest corner of Center Street and Michigan Ave in the unincorporated community of Highgrove with Assessor Parcel Number of 255-070-013 (site), pursuant to Health and Safety Codes 33431 and 33433. When the site was purchased by the Redevelopment Agency for the County for Riverside (agency) it consisted of a vacant blighted lot. When the site was acquired by the agency, it was acquired for the purpose of removing blight and future development.

The agency has since built a public library on a portion of the site (.72 acres) which opened in March 2011. The agency has decided that the best use for the balance of the land would be to build an affordable housing project. The agency is in the process of subdividing the site into two separate lots, a .72 acre lot where the current public library is located and a 6.71 acre lot for developing an affordable housing project for low-income households. As such, the agency wishes to sell the 6.71 acre lot to Workforce Homebuilders LLC (Developer) for the development of an affordable housing project. The Developer is proposing to build an 89-unit multifamily affordable housing complex for low-income households (Project). On April 20, 2010, the Board of Directors approved an Exclusive Negotiation Agreement (ENA) with the Developer. The ENA included a loan to the Developer in the amount of \$550,000 for expenses incurred in the entitlement process.

The Developer is in the process of applying for other gap financing, including but not limited to, funding from the Federal Home Loan Affordable Housing Program, and Federal and/or State tax credit financing for the development and construction of the Project. Some of the gap financing that the Developer will be applying for requires that the Developer have site control so staff is recommending approval of Resolution No. 2011-182, Approving Sale of Real Property by the Redevelopment Agency for the County of Riverside, for the sale of the Project Site to Workforce Homebuilders LLC, legal description of proposed Project Site is attached hereto as Attachment A.

The agency is proposing to enter into a Disposition and Development Agreement ("Agreement") with the Developer for the development of the Project.

County Counsel has approved the attached Resolution as to form. Staff recommends that the Board adopt Resolution No. 2011-182, Sale of Real Property by the Redevelopment Agency for the County of Riverside.

FINANCIAL DATA:

All the costs related to the development of the project will be fully funded with Redevelopment Housing Set Aside Funds. The agency has budgeted this expense in the FY 2011/12 budget.

Attachments:

Resolution No. 2011-182
Summary Report Disposition and Development

2
3 COUNTY RESOLUTION NO. 2011-182
4 APPROVING SALE OF REAL PROPERTY BY THE
5 REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE
6 ASSESSOR PARCEL NUMBER 255-070-013
7 (Fifth Supervisorial District)
8

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

14 WHEREAS, the Riverside County Board of Supervisors adopted redevelopment plans
15 for Redevelopment Project Area Nos. 1-1986, Jurupa Valley, Mid-County, Desert Communities
16 and the I-215 Corridor, as amended, (the "Project Areas"); and

17 WHEREAS, pursuant to Section 33670 of the Health and Safety Code, the Agency
18 began receiving tax increment from the Project Areas in January 1988, and continues to
19 receive annual tax increment revenue; and

20 WHEREAS, pursuant to Section 33430 of the Health and Safety Code, the Agency
21 may, within the survey area or for purposes of redevelopment, sell, lease, for a period not to
22 exceed 99 years, or otherwise dispose of any real or personal property or any interest in
23 property; and

24 WHEREAS, pursuant to Health and Safety Code Section 33433, before any property of
25 the agency acquired in whole or in part, directly or indirectly, with tax increment moneys is sold
26 or leased for development pursuant to the redevelopment plan, the sale or lease shall first be
27 approved by the legislative body by resolution after
28 a public hearing; and

1 **WHEREAS**, the Agency wishes to sell a section of a vacant parcel located at the
2 southwest corner of Center Street and Michigan Ave with Assessor Parcel Number of 255-070-
3 013 ("Site") to Workforce Homebuilders LLC ("Developer"); and

4 **WHEREAS**, the Agency is in the process of subdividing the Site into two separate legal
5 parcels;

6 **WHEREAS**, the proposed legal description of the section of the Site intended for sale to
7 Developer is attached hereto as Attachment A;

8 **WHEREAS**, the Developer is proposing to develop an eighty nine (89) unit affordable
9 housing apartment complex; and

10 **WHEREAS**, the Agency, pursuant to Section 33334.2 of the California Health and
11 Safety Code, wishes to utilize its Low- and Moderate-Income Housing Set Aside Funds to
12 improve and increase the supply of affordable housing in the unincorporated county; and

13 **WHEREAS**, the Agency endeavors to preserve, protect, improve and increase the
14 affordable housing stock and eliminate blight in the Project Area; and

15 **WHEREAS**, the sale of the Site will assist Agency in providing housing for families of
16 low- or moderate-income; and

17 **WHEREAS**, the sale of the Site is consistent with the Implementation Plan adopted by
18 the Agency pursuant to Section 33490; and

19 **WHEREAS**, the consideration is not less than the fair reuse value at the use and with
the covenants and conditions and development costs authorized by the sale or lease.

20 **NOW THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED** by the
21 Board of Supervisors of the County of Riverside, State of California, in regular session
22 assembled July 12, 2011, as follows:

23 1. That the Board of Supervisors hereby finds and declares that the above recitals
24 are true and correct.

25 2. That the Board of Supervisors approves the Agency selling the Site to the Developer.

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Approve Sale.doc

FORM APPROVED COUNTY COUNSEL
BY: ANITA Q. WILSON
DATE: 6-28-11