

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

332



**FROM:** Economic Development Agency

**SUBMITTAL DATE:**  
June 14, 2012

**SUBJECT:** First Amendment to the Agreement for Use of HOME Funds for the Security Deposit Assistance Program

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

1. Approve the attached First Amendment to the Agreement for use of HOME funds between the County of Riverside and the Housing Authority of the County of Riverside;
2. Authorize the Chairman of the Board to execute the said attached agreement; and
3. Authorize the Assistant County Executive Officer/EDA or designee to take all necessary steps to implement the agreement including, but not limited to, signing subsequent essential and relevant documents.

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

*Robert Field*

Robert Field  
Assistant County Executive Officer/EDA

|                       |                               |            |                         |         |
|-----------------------|-------------------------------|------------|-------------------------|---------|
| <b>FINANCIAL DATA</b> | Current F.Y. Total Cost:      | \$ 100,000 | In Current Year Budget: | Yes     |
|                       | Current F.Y. Net County Cost: | \$ 0       | Budget Adjustment:      | No      |
|                       | Annual Net County Cost:       | \$ 0       | For Fiscal Year:        | 2011/12 |

**COMPANION ITEM ON BOARD OF COMMISSIONERS AGENDA:** Yes

**SOURCE OF FUNDS:** HOME Investment Partnerships Act Grant 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 Sargent*  
Jennifer Sargent

**County Executive Office Signature**

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

FORM APPROVED COUNTY COUNSEL  
BY: *Annie T. Sahhar* 6/6/12  
DATE: *6/6/12*  
Departmental Concurrence

Prev. Agn. Ref.: 3.36 of 11/30/10

District: All

Agenda Number:

**3.10**

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

**BACKGROUND:** On November 30, 2010, the Board of Supervisors approved \$200,000 in HOME funds for the Housing Authority of the County of Riverside to utilize towards the Security Deposit Assistance (SDA) Program for a period of 5 years ending November 30, 2015. The goal of the program is to remove the initial barrier that households encounter as they attempt to find a suitable, decent housing unit to rent.

To date, the Housing Authority has assisted 523 households throughout the county with an average security deposit assistance of \$327.75. A total of \$28,584.50 remains to be utilized for security deposit assistance. In order to assist more families, the Housing Authority is requesting an additional \$100,000 in HOME funds to continue the SDA Program. The additional funds would benefit approximately 305 more families. It is anticipated that the total sum amount of \$300,000 in HOME funds for SDA would benefit approximately 914 families at an average cost of \$328 per household and assist the county to fulfill its requirements and national objectives under the Home Investment Partnership Act.

The SDA Program is designed to provide a one-time grant to pay for the security deposit for very low-income families earning no more than 50% of the area median income. Eligible participants must be new participants in the Section 8 Housing Choice Voucher Program and must either have recently been selected from the waiting list, have an approved Section 8 Voucher or are in the process of finding a unit to rent. Existing Section 8 Voucher participants may only be eligible if the owner of the unit has selected to sell the property or there exists an unforeseen emergency that is through no fault of the family. Once a family moves from the unit, the family retains the deposit amount to assist them with the relocation process. The maximum grant per family is limited to the lesser of 50% of the actual total security deposit or half of the Section 8 contract rent.

County Counsel has approved the First Amendment to the Agreement for Use of HOME Funds for the Security Deposit Assistance Program as to form. Staff recommends that the Board approve the attached agreement.

Attachment:

- First Amendment to the Agreement for Use of HOME Funds for the Security Deposit Assistance Program

1                   **FIRST AMENDMENT TO AGREEMENT FOR THE USE OF HOME FUNDS FOR**  
2                   **THE SECURITY DEPOSIT ASSISTANCE PROGRAM**

3  
4                   This First Amendment to the Agreement for the Use of HOME funds for the  
5 Security Deposit Assistance Program (“First Amendment”) is made and entered into this \_\_\_\_  
6 day of \_\_\_\_\_, 2012 by and between the COUNTY OF RIVERSIDE (“COUNTY”), a  
7 political subdivision of the State of California and the HOUSING AUTHORITY OF THE  
8 COUNTY OF RIVERSIDE (“AUTHORITY”), a public body, corporate and politic in the  
9 State of California. COUNTY and AUTHORITY are collectively referred to as the “Parties”.

10                   W I T N E S S E T H:

11                   WHEREAS, the Parties entered into the Agreement for the use of HOME funds  
12 for the Security Deposit Assistance Program (the “HOME Agreement”) dated November 30,  
13 2010;

14                   WHEREAS, capitalized terms not defined herein shall have the meaning  
15 ascribed to them in the HOME Agreement;

16                   WHEREAS, pursuant to the HOME Agreement, COUNTY agreed to provide a  
17 grant of \$200,000 in HOME funds for security deposit assistance to very low-income  
18 households that meet the eligibility requirements as defined in the HOME Agreement;

19                   WHEREAS, AUTHORITY requested an additional \$100,000 in funding to assist  
20 more households;

21                   WHEREAS, the Parties desire to amend the HOME Agreement and increase the  
22 grant from \$200,000 to a total sum amount of \$300,000; and

23                   WHEREAS, amending the HOME Agreement will assist COUNTY to fulfill its  
24 requirements under the Home Investment Partnerships Act.

25                   NOW, THEREFORE, in consideration of the foregoing, and the promises and  
26 mutual covenants and conditions hereinafter set forth, the Parties mutually agree as follows:

- 27                   1. The amount of the HOME Agreement shall be increased by \$100,000 and amend  
28 the total amount from \$200,000 to \$300,000.

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2. **Exhibit “A”** of the HOME Agreement shall be replaced with the revised **Exhibit “A”** of this First Amendment, which is attached hereto and by this reference incorporated herein.
3. This First Amendment and the HOME Agreement set forth and contain the entire understanding and agreement of the Parties hereto. There are no oral or written representations, understandings, or ancillary covenants, undertakings or agreements, which are not contained or expressly referred to within this First Amendment and the HOME Agreement.
4. The exhibit attached hereto is incorporated herein by this reference.
5. Except as modified and amended by this First Amendment, all other terms and conditions of the HOME Agreement remain unmodified and in full force and effect.
6. This First Amendment may be signed by the Parties hereto in counterparts, each of which shall be an original but all of which together shall constitute one and the same agreement.
7. The effective date of this First Amendment is the date the parties execute the First Amendment. If the Parties execute the First Amendment on more than one date, then the last date the First Amendment is executed by a party shall be the effective date.
8. This First Amendment is not binding until approved by the Board of Supervisors.

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

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4 COUNTY:

AUTHORITY:

5 COUNTY OF RIVERSIDE

6 HOUSING AUTHORITY OF THE  
7 COUNTY OF RIVERSIDE

8 By: \_\_\_\_\_  
9 JOHN F. TAVAGLIONE, Chairman  
Board of Supervisors

By: \_\_\_\_\_  
JOHN F. TAVAGLIONE, Chairman  
Board of Commissioners

10  
11 APPROVED AS TO FORM:

12 PAMELA J. WALLS  
13 County Counsel

14  
15 By:  \_\_\_\_\_  
16 ANNIE SAHHAR, Deputy

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

20  
21 By \_\_\_\_\_  
Deputy

**EXHIBIT "A"**

**Authority:** Housing Authority of the County of Riverside  
**Address:** 5555 Arlington Avenue, Riverside, CA 92504  
**Program:** Security Deposit Assistance Program  
**Location:** Within the areas of the County of Riverside

**Description:**

The Housing Authority of the County of Riverside intends to use \$300,000 to fund the Security Deposit Assistance (SDA) Program. The goal of the program is to remove the initial barrier that households encounter as they attempt to find a suitable, decent housing unit to rent.

The SDA Program is designed to provide a one-time grant to eligible participants, as defined herein, to pay for the security deposit of new participants in the Section 8 Housing Choice Voucher Program to lease a rental property. No Assistance can be provided for temporary shelters. The goal of the program is to remove the initial barrier that families encounter as they attempt to find a suitable unit to rent. California state law prohibits landlords or property owners from requesting a security deposit greater than two (2) months of the total amount of the contract rent as a security deposit for an un-furnished unit.

**Eligible Applicants:**

The Program is limited to eligible families or participants who have recently been selected from the waiting list and have an approved Section 8 Voucher and who are in the process of finding a unit to rent.

Existing Section 8 Voucher can only be eligible if any of the following conditions apply:

1. The owner of the unit has selected to sell the property;
2. An unforeseen emergency that is through no fault of the family.

The grant will be made to the Housing Authority on a "cost-as-incurred" basis for all eligible approved cost under this Agreement. Once a family moves from the unit, the family retains the deposit amount to assist them with the relocation process. The maximum grant per family is limited to the lesser of 50% of the actual total security deposit or half of the Section 8 contract rent.

It is anticipated that the total sum amount of \$300,000 in HOME funds for SDA would benefit approximately 914 families at an average cost of \$328 per household and assist the county to fulfill its requirements and national objectives under the Home Investment Partnership Act.

Matching funds in a minimum amount of twenty-five percent (25%) of the total HOME allocation are required. The HOME match in the amount of \$75,000 will be satisfied from the excess match carried over Fiscal 2010-2011.

The Housing Authority shall submit to the County copies of the HUD Section 50058 approval Form and Security Deposit Assistance Program Application.

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9 State of California. COUNTY and AUTHORITY are collectively referred to as the “Parties”.

10                   WITNESSETH:

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28 the total amount from \$200,000 to \$300,000.

- 1           2.   **Exhibit “A”** of the HOME Agreement shall be replaced with the revised **Exhibit**  
2           **“A”** of this First Amendment, which is attached hereto and by this reference  
3           incorporated herein.
- 4           3.   This First Amendment and the HOME Agreement set forth and contain the entire  
5           understanding and agreement of the Parties hereto. There are no oral or written  
6           representations, understandings, or ancillary covenants, undertakings or  
7           agreements, which are not contained or expressly referred to within this First  
8           Amendment and the HOME Agreement.
- 9           4.   The exhibit attached hereto is incorporated herein by this reference.
- 10          5.   Except as modified and amended by this First Amendment, all other terms and  
11          conditions of the HOME Agreement remain unmodified and in full force and  
12          effect.
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9 JOHN F. TAVAGLIONE, Chairman  
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By: \_\_\_\_\_  
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13 County Counsel

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17 ATTEST:  
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