

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

158



**FROM:** Economic Development Agency

**SUBMITTAL DATE:**  
June 5, 2014

**SUBJECT:** Adoption of Resolution No. 2014-104 Funding Commitment and Support for Low-Income Tax Credit Application for Home Front at Camp Anza in the City of Riverside, District 1/District 1, [\$500,000], HOME Investment Partnerships Act Funds 100%

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

1. Adopt Resolution No. 2014-104 committing funding up to the amount of \$500,000 in HOME Investment Partnerships Act Funds to Camp Anza, L.P., and supporting the application from Camp Anza, L.P., for Low-Income Housing Tax Credits funds for the Home Front at Camp Anza apartment project located in the City of Riverside.

**BACKGROUND:**

Summary

(Commences on Page 2)

Robert Field  
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
<b>COST</b>	\$ 500,000	\$ 0	\$ 500,000	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0	
<b>SOURCE OF FUNDS:</b> HOME Investment Partnerships Act Funds				<b>Budget Adjustment:</b> No	
				<b>For Fiscal Year:</b> 2013/14	

**C.E.O. RECOMMENDATION:**

APPROVE

BY:   
Rohini Dasika

County Executive Office Signature

**MINUTES OF THE BOARD OF SUPERVISORS**

FORM APPROVED COUNTY COUNSEL  
DATE: 5-21-14  
BY: JHAILEA R. BROWN  
Departmental Concurrence

FISCAL PROCEDURES APPROVED  
PAUL ANGULO, CPA, AUDITOR-CONTROLLER  
BY: Esteban Hernandez 6/14/14

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.: | District: 1/1 | Agenda Number:

**3-13**

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

Economic Development Agency

**FORM 11:** Adoption of Resolution No. 2014-104 Funding Commitment and Support for Low-Income Tax Credit Application for Home Front at Camp Anza in the City of Riverside, District 1/District 1, [\$500,000], HOME Investment Partnerships Act Funds 100%

**DATE:** June 5, 2014

Page 2 of 4

## **BACKGROUND:**

### **Summary**

Wakeland Housing Development Corporation (Developer) has formed a limited liability partnership known as Camp Anza, L.P., a California limited partnership (Partnership), for the purpose of applying for tax credits from the California Tax Credit Application Committee (TCAC) to pay a portion of the development costs for the the proposed project discussed herein. The proposed development consists of construction of a 30-unit apartment complex and rehabilitation of the existing 15,000 square-foot Camp Anza Officer's Club (Officers Club) building (Project).

The proposed Project will consist of 15 two-bedroom units, and 15 three-bedroom units. The two-bedroom units are approximately 776 square-foot and the three-bedroom units range in size from 1,054 to 1,151 square-foot. One two-bedroom unit will be set aside for a resident manager. The apartment units will be rented to low-income households, with a preference for Veterans and their families. The proposed Project will provide the veteran(s) and their families with a variety of supportive services designed to ease the transition back into civilian life.

A total of 11 units will be designated as HOME-assisted units limited to households whose incomes do not exceed 50% of the area median income for the County of Riverside, adjusted by family size at the time of occupancy. The HOME-assisted units will be restricted for a period of at least 55 years from the recordation of a Notice of Completion in the official records of the County of Riverside.

A significant component of the proposed Project involves the restoration and rehabilitation of a vacant historic building also known as the Officer's Club which will be renovated into a multipurpose community center for the use of residents living in the proposed Project. The Officer's Club building is a cultural resource and valuable connection demonstrating Riverside's Contribution to the World War II war effort. The goal is to preserve and enhance the integrity of the Officer's Club building and to integrate this into this Project. Mercy House, a member of the Camp Anza, L.P., will be responsible for coordinating all support services at the Project, and will staff the Project with a part to full time (depending on need) Resident Services Coordinator/Case Manager, who will work not just with veterans but with family members who provide crucial support to their returned loved ones. The manager's office and community room will be open to residents during normal business hours, as well as in the evenings and weekends when community events are held for the residents.

The low-income housing tax credits will be used by the Partnership to finance a majority of the costs to develop and construct the proposed Project. The proposed Project has a funding gap of \$500,000, and the Partnership has submitted an application to the County requesting financial assistance in the form of HOME funds to fill such gap. The Partnership is proposing to use \$500,000 in HOME funds for the development and construction of the proposed Project which will result in the set aside of a minimum of 11 HOME-assisted units. Staff has reviewed the application and supports the proposed Project. In order to complete the tax credit application process, the Partnership must provide TCAC with a Resolution from the local jurisdiction providing support for the proposed Project.

(Continued)

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

Economic Development Agency

**FORM 11:** Adoption of Resolution No. 2014-104 Funding Commitment and Support for Low-Income Tax Credit Application for Home Front at Camp Anza in the City of Riverside, District 1/District 1, [\$500,000], HOME Investment Partnerships Act Funds 100%

**DATE:** June 5, 2014

Page 3 of 4

### **BACKGROUND:**

#### **Summary** (Continued)

The need to expand the affordable housing stock for low income and special needs households is a high priority in the County of Riverside's Consolidated Plan. In order to complete the TCAC application for an allocation of tax credits, the Partnership must provide a resolution from the local jurisdiction providing support for the proposed Project. The attached Resolution recommends that the Board support the proposed Project and make a commitment of \$500,000 in HOME funds (HOME Loan), subject to the Partnership's satisfaction of certain conditions precedent, to pay development and construction costs for the proposed Project until November 30, 2014, and shall thereafter have no force or effect, unless a HOME Loan agreement, approved as to form by County Counsel, has theretofore been approved and executed by the Board of Supervisors and the Partnership.

The HOME Loan will be subject to any restriction on the use of the HOME funds set forth in the HOME Regulations (24 CFR Part 92).

The attached Resolution 2014-104 commits \$500,000 in HOME funds for the proposed Project, subject to the Partnership's satisfaction of the conditions precedent specifically set forth in the attached Resolution 2014-104, which include, but are not limited to the following:

1. Securing any and all land use entitlements, permits and approvals which may be required for development and construction of the proposed Project, including compliance with the California Environmental Quality Act;
2. Obtaining sufficient equity capital or firm and binding commitments for construction and permanent financing necessary to undertake the development and completion of the proposed Project;
3. Approval of release of funds from the U.S. Department of Housing and Urban Development under 24 CFR Part 58; and
4. Successful negotiation of a HOME Agreement approved by the Board and executed by all required parties.

The estimated total cost for the proposed Project is \$13,762,680. In addition to the HOME Loan, additional sources of funds will include a \$2,266,260 loan from the Housing Authority of the City of Riverside, a \$632,732 HOME loan from the City of Riverside, \$233,079 in waived development impact fees from the City of Riverside, \$1,100,000 the appraised value of the land and building being donated by the Housing Authority of the City of Riverside, a \$300,000 loan from the Federal Home Loan Bank, and \$8,730,609 in limited partner tax credit equity contribution..

Staff recommends that the Board approve Resolution No. 2014-104. County Counsel has reviewed and approved as to form the attached Resolution No. 2014-104.

#### **Impact of Residents and Businesses**

Approving this item will have a positive impact on the citizens and businesses of the County. The proposed Project is expected to generate construction, permanent maintenance and property management jobs, and provide affordable housing for veterans and residents of the County of Riverside.

(Continued)

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

Economic Development Agency

**FORM 11:** Adoption of Resolution No. 2014-104 Funding Commitment and Support for Low-Income Tax Credit Application for Home Front at Camp Anza in the City of Riverside, District 1/District 1, [\$500,000], HOME Investment Partnerships Act Funds 100%

**DATE:** June 5, 2014

Page 4 of 4

**SUPPLEMENTAL:**

**Additional Fiscal**

No impact upon the County's General Fund. The County's contribution to the proposed Project will be fully funded with HOME Investment Partnerships Act funds from the U.S. Department of Housing and Urban Development.

Attachments:

- Resolution No. 2014-104

**RESOLUTION 2014-104  
FUNDING COMMITMENT  
AND SUPPORT FOR APPLICATION FOR  
LOW-INCOME HOUSING TAX CREDITS FOR  
HOME FRONT AT CAMP ANZA APARTMENTS**

**WHEREAS**, the County of Riverside, a political subdivision of the State of California (“County”), is the recipient of funds derived from the HOME Investment Partnerships Act (HOME) Program, which was enacted under Title II of the Cranston Gonzalez National Affordable Housing Act of 1990;

**WHEREAS**, the County has identified the expansion of affordable rental housing stock for low-income households as a high housing priority through the County’s Five Year Consolidated Plan and its One-Year Action Plan for the Use of Federal Funds;

**WHEREAS**, Wakeland Housing Development Corporation (Developer) is proposing to develop and construct a thirty (30) unit multi-family affordable rental housing complex and rehabilitate a vacant historic building also known as the Camp Anza Officer’s Club building (“Project”) on real property located on five (5) contiguous parcels totaling approximately 2.14 acres, located at 5797 Picker Street in the City of Riverside, Assessor’s Parcel Numbers 151-123-005, -006, -007, -008, -013 (“Property”);

**WHEREAS**, the Project will be rented to and occupied by low-income residents with incomes no more than 50% of the Riverside County Area Median Income, with a preference for veterans and their families with incomes of no more than 50% of the Riverside County Area Median Income;

**WHEREAS**, Wakeland Housing Development Corporation (Developer) has formed a limited liability partnership known as Camp Anza, L.P. (Partnership), for the purpose of applying for Project funding including, but not limited to tax credits;

**WHEREAS**, the Partnership has submitted an application to the County requesting financial assistance in the amount of \$500,000 in HOME funds to fill the Project financing gap;

1           **WHEREAS**, the California Tax Credit Allocation Committee (TCAC), through its  
2 application process, allocates low-income housing tax credits to eligible affordable housing  
3 projects to raise project equity through the sale of tax benefits to investors;

4           **WHEREAS**, the Partnership intends to submit an application to TCAC for an allocation  
5 of low-income housing tax credits and the proceeds from the sale of such tax credits will be  
6 used to finance Project costs;

7           **WHEREAS**, the application deadline to be considered for a 2014 allocation of tax credits  
8 through TCAC is July 1, 2014;

9           **WHEREAS**, to complete the TCAC application process, the Partnership must provide a  
10 resolution from the local jurisdictions, including the County, supporting the Project; and

11           **WHEREAS**, the Developer has successfully completed several affordable housing  
12 complexes in California;

13           **WHEREAS**, the County desires to commit approximately \$500,000 in HOME funds to be  
14 used to pay for the development and construction of the Project, subject to the Partnership's  
15 satisfaction of certain conditions that benefit the County; and

16           **WHEREAS**, the County desires to support the Partnership's application to TCAC for an  
17 allocation of low-income housing tax credits.

18           **BE IT RESOLVED, DETERMINED, AND ORDERED** by the Board of Supervisors for the  
19 County of Riverside, State of California, in regular session assembled on June 17, 2014, as  
20 follows:

- 21       1) That the Board of Supervisors hereby finds and declares that the above recitals are true  
22       and correct and incorporated as though set forth herein.
- 23       2) The Board of Supervisors supports the Partnership's application to TCAC for an  
24       allocation of low-income housing tax credits, the sale proceeds of which will be used to  
25       finance the development and construction of a multi-family affordable rental housing  
26       project consisting of twenty nine (29) affordable rental units and one (1) additional  
27       manager's unit, on real property comprised of five (5) contiguous parcels totaling 2.14  
28       acres situated north of Philbin Avenue, between Picker and Wohlstetter Streets in the

*RESOLUTION NUMBER 2014-104*

*Home Front at Camp Anza*

1 City of Riverside, Assessor's Parcel Numbers 151-123-005, 151-123-006, 151-123-  
2 007, 151-123-008, and 151-123-013.

3 3) Subject to any restriction on the use of HOME funds contained in the HOME Regulations  
4 (24 CFR Part 92), the Board of Supervisors agrees to provide financial assistance to the  
5 Partnership in the maximum amount of \$500,000 in HOME funds (HOME Loan) for  
6 construction of eligible activities on the Project, subject to the satisfaction of the  
7 following conditions precedent:

- 8 a. Borrower: Camp Anza, L.P.;
- 9 b. Project Name: Home Front at Camp Anza;
- 10 c. HOME Loan Amount: Not to exceed Five Hundred Thousand Dollars (\$500,000);
- 11 d. Interest: Three Percent (3%) simple interest;
- 12 e. Affordability Period: Fifty Five Years (55 years) from recordation of the Notice of  
13 Completion;
- 14 f. HOME Loan Term: Fifty Five Years (55 years);
- 15 g. Repayment: Loan Payments derived from the Project's residual receipts;
- 16 h. Entitlements and Governmental Approvals: Secure any and all required land use  
17 entitlements, permits and approvals which may be required for construction of  
18 the Project, including, but not limited to compliance with the California  
19 Environmental Quality Act;
- 20 i. Other Financing: the HOME Loan is expressly conditioned upon the  
21 Partnership's ability to secure sufficient equity capital or firm and binding  
22 commitments for financing necessary to undertake the development and  
23 construction of the Project. All financing contemplated or projected with respect  
24 to the Project shall be, or have been, approved in form and substance by the  
25 County. Additional financing for the Project includes: \$2,266,260 loan from the  
26 Housing Authority of the City of Riverside, a \$632,732 HOME loan from the City  
27 of Riverside, \$233,079 in waived development impact fees from the City of  
28 Riverside, \$1,100,000 the appraised value of the land and building being donated

*RESOLUTION NUMBER 2014-104*

*Home Front at Camp Anza*

1 by the Housing Authority of the City of Riverside, a \$300,000 loan from the  
2 Federal Home Loan Bank, and \$8,730,609 in limited partner tax credit equity  
3 contribution. The total cost of development is estimated to be \$13,762,680.

4 j. Monitoring Fee: Payment of annual Compliance Monitoring Fee to the County in  
5 the amount of \$3,000. Monitoring fee to be adjusted annually, not to exceed the  
6 Consumer Price Index (CPI);

7 k. Partnership must comply with all applicable HOME program requirements and  
8 other Federal funding requirements; and

9 l. Successful negotiation of a HOME Loan agreement, approved as to form by  
10 County Counsel, approved by the Board of Supervisors and executed by all  
11 required parties.

12 4) The Board of Supervisors' commitment to provide the HOME Loan, subject to the  
13 satisfaction of the conditions precedent set forth herein, is valid until November 30,  
14 2014, and shall thereafter have no force or effect, unless a HOME Loan agreement,  
15 approved as to form by County Counsel, has theretofore been approved and executed  
16 by the Board of Supervisors and the Partnership, with respect to the Project.

17 //

18 //

19 // FORM APPROVED COUNTY COUNSEL

20 // BY: Jhaila R. Brown 5-21-14  
JHAILA R. BROWN DATE

21 //

22 //

23 //

24 //

25 //

26 //

27 //

28 //



**RESOLUTION 2014-104  
FUNDING COMMITMENT  
AND SUPPORT FOR APPLICATION FOR  
LOW-INCOME HOUSING TAX CREDITS FOR  
HOME FRONT AT CAMP ANZA APARTMENTS**

**WHEREAS**, the County of Riverside, a political subdivision of the State of California (“County”), is the recipient of funds derived from the HOME Investment Partnerships Act (HOME) Program, which was enacted under Title II of the Cranston Gonzalez National Affordable Housing Act of 1990;

**WHEREAS**, the County has identified the expansion of affordable rental housing stock for low-income households as a high housing priority through the County’s Five Year Consolidated Plan and its One-Year Action Plan for the Use of Federal Funds;

**WHEREAS**, Wakeland Housing Development Corporation (Developer) is proposing to develop and construct a thirty (30) unit multi-family affordable rental housing complex and rehabilitate a vacant historic building also known as the Camp Anza Officer’s Club building (“Project”) on real property located on five (5) contiguous parcels totaling approximately 2.14 acres, located at 5797 Picker Street in the City of Riverside, Assessor’s Parcel Numbers 151-123-005, -006, -007, -008, -013 (“Property”);

**WHEREAS**, the Project will be rented to and occupied by low-income residents with incomes no more than 50% of the Riverside County Area Median Income, with a preference for veterans and their families with incomes of no more than 50% of the Riverside County Area Median Income;

**WHEREAS**, Wakeland Housing Development Corporation (Developer) has formed a limited liability partnership known as Camp Anza, L.P. (Partnership), for the purpose of applying for Project funding including, but not limited to tax credits;

**WHEREAS**, the Partnership has submitted an application to the County requesting financial assistance in the amount of \$500,000 in HOME funds to fill the Project financing gap;

*RESOLUTION NUMBER 2014-104*

*Home Front at Camp Anza*

1           **WHEREAS**, the California Tax Credit Allocation Committee (TCAC), through its  
2 application process, allocates low-income housing tax credits to eligible affordable housing  
3 projects to raise project equity through the sale of tax benefits to investors;

4           **WHEREAS**, the Partnership intends to submit an application to TCAC for an allocation  
5 of low-income housing tax credits and the proceeds from the sale of such tax credits will be  
6 used to finance Project costs;

7           **WHEREAS**, the application deadline to be considered for a 2014 allocation of tax credits  
8 through TCAC is July 1, 2014;

9           **WHEREAS**, to complete the TCAC application process, the Partnership must provide a  
10 resolution from the local jurisdictions, including the County, supporting the Project; and

11           **WHEREAS**, the Developer has successfully completed several affordable housing  
12 complexes in California;

13           **WHEREAS**, the County desires to commit approximately \$500,000 in HOME funds to be  
14 used to pay for the development and construction of the Project, subject to the Partnership's  
15 satisfaction of certain conditions that benefit the County; and

16           **WHEREAS**, the County desires to support the Partnership's application to TCAC for an  
17 allocation of low-income housing tax credits.

18           **BE IT RESOLVED, DETERMINED, AND ORDERED** by the Board of Supervisors for the  
19 County of Riverside, State of California, in regular session assembled on June 17, 2014, as  
20 follows:

- 21       1) That the Board of Supervisors hereby finds and declares that the above recitals are true  
22       and correct and incorporated as though set forth herein.
- 23       2) The Board of Supervisors supports the Partnership's application to TCAC for an  
24       allocation of low-income housing tax credits, the sale proceeds of which will be used to  
25       finance the development and construction of a multi-family affordable rental housing  
26       project consisting of twenty nine (29) affordable rental units and one (1) additional  
27       manager's unit, on real property comprised of five (5) contiguous parcels totaling 2.14  
28       acres situated north of Philbin Avenue, between Picker and Wohlstetter Streets in the

*RESOLUTION NUMBER 2014-104*

*Home Front at Camp Anza*

1 City of Riverside, Assessor's Parcel Numbers 151-123-005, 151-123-006, 151-123-  
2 007, 151-123-008, and 151-123-013.

3 3) Subject to any restriction on the use of HOME funds contained in the HOME Regulations  
4 (24 CFR Part 92), the Board of Supervisors agrees to provide financial assistance to the  
5 Partnership in the maximum amount of \$500,000 in HOME funds (HOME Loan) for  
6 construction of eligible activities on the Project, subject to the satisfaction of the  
7 following conditions precedent:

- 8 a. Borrower: Camp Anza, L.P.;
- 9 b. Project Name: Home Front at Camp Anza;
- 10 c. HOME Loan Amount: Not to exceed Five Hundred Thousand Dollars (\$500,000);
- 11 d. Interest: Three Percent (3%) simple interest;
- 12 e. Affordability Period: Fifty Five Years (55 years) from recordation of the Notice of  
13 Completion;
- 14 f. HOME Loan Term: Fifty Five Years (55 years);
- 15 g. Repayment: Loan Payments derived from the Project's residual receipts;
- 16 h. Entitlements and Governmental Approvals: Secure any and all required land use  
17 entitlements, permits and approvals which may be required for construction of  
18 the Project, including, but not limited to compliance with the California  
19 Environmental Quality Act;
- 20 i. Other Financing: the HOME Loan is expressly conditioned upon the  
21 Partnership's ability to secure sufficient equity capital or firm and binding  
22 commitments for financing necessary to undertake the development and  
23 construction of the Project. All financing contemplated or projected with respect  
24 to the Project shall be, or have been, approved in form and substance by the  
25 County. Additional financing for the Project includes: \$2,266,260 loan from the  
26 Housing Authority of the City of Riverside, a \$632,732 HOME loan from the City  
27 of Riverside, \$233,079 in waived development impact fees from the City of  
28 Riverside, \$1,100,000 the appraised value of the land and building being donated

RESOLUTION NUMBER 2014-104

Home Front at Camp Anza

1 by the Housing Authority of the City of Riverside, a \$300,000 loan from the  
2 Federal Home Loan Bank, and \$8,730,609 in limited partner tax credit equity  
3 contribution. The total cost of development is estimated to be \$13,762,680.

4 j. Monitoring Fee: Payment of annual Compliance Monitoring Fee to the County in  
5 the amount of \$3,000. Monitoring fee to be adjusted annually, not to exceed the  
6 Consumer Price Index (CPI);

7 k. Partnership must comply with all applicable HOME program requirements and  
8 other Federal funding requirements; and

9 i. Successful negotiation of a HOME Loan agreement, approved as to form by  
10 County Counsel, approved by the Board of Supervisors and executed by all  
11 required parties.

12 4) The Board of Supervisors' commitment to provide the HOME Loan, subject to the  
13 satisfaction of the conditions precedent set forth herein, is valid until November 30,  
14 2014, and shall thereafter have no force or effect, unless a HOME Loan agreement,  
15 approved as to form by County Counsel, has theretofore been approved and executed  
16 by the Board of Supervisors and the Partnership, with respect to the Project.

17 //

18 //

19 FORM APPROVED COUNTY COUNSEL

20 BY: Jhaila R. Brown 5-21-14  
JHAILA R. BROWN DATE

21 //

22 //

23 //

24 //

25 //

26 //

27 //

28 //