

FORM APPROVED COUNTY COUNSEL
 BY: GREGORY P. PRIAMOS DATE: 12/24/15

Departmental Concurrence

**SUBMITTAL TO THE BOARD OF COMMISSIONERS
 HOUSING AUTHORITY
 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

316



FROM: Housing Authority

SUBMITTAL DATE:
 December 30, 2015

SUBJECT: Resolution No. 2016-001, Notice of Intention to Sell the Fee Interest in Real Property Located in the City of Jurupa Valley, County of Riverside, California, Assessor's Parcel Numbers 185-460-001, 185-470-001, 185-470-002, 177-020-012, 177-020-018, 177-110-005 by Grant Deed; District 2, [\$0]

RECOMMENDED MOTION: That the Board of Commissioners:

1. Adopt Resolution No. 2016-001, Notice of Intention to Sell Fee Interests in Real Property Located in the City of Jurupa Valley, County of Riverside, CA, Identified as Assessor's Parcel Numbers 185-460-001, 185-470-001, 185-470-002, 177-020-012, 177-020-018, and 177-110-005, and setting a public hearing date in accordance with Health and Safety Code Section 34312.3;
2. Authorize the Executive Director of the Housing Authority, or his designee, to negotiate the sale of a total of 22.29 acres of vacant land to Michael Fein, an individual, and to incur typical transaction costs including staff time, legal fees, appraisal cost, title insurance and other due diligence costs; and

(Continued)

Robert Field
 Robert Field
 Executive Director

| FINANCIAL DATA | Current Fiscal Year: | Next Fiscal Year: | Total Cost: | Ongoing Cost: | POLICY/CONSENT (per Exec. Office) |
|--|----------------------|-------------------|-------------|-----------------------------------|---|
| COST | \$ 0 | \$ 0 | \$ 0 | \$ 0 | Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/> |
| NET COUNTY COST | \$ 0 | \$ 0 | \$ 0 | \$ 0 | |
| SOURCE OF FUNDS: 100% Sale Proceeds | | | | Budget Adjustment: No | |
| | | | | For Fiscal Year: 2015/2016 | |

C.E.O. RECOMMENDATION:

APPROVE

BY: Rohini Dasika
 Rohini Dasika

County Executive Office Signature

MINUTES OF THE HOUSING AUTHORITY BOARD OF COMMISSIONERS

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

Prev. Agn. Ref.:

District: 2

Agenda Number:

10-1

SUBMITTAL TO THE BOARD OF COMMISSIONERS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Housing Authority

FORM 11: Resolution No. 2016-001, Notice of Intention to Sell the Fee Interest in Real Property Located in the City of Jurupa Valley, County of Riverside, California, Assessor's Parcel Numbers 185-460-001, 185-470-001, 185-470-002, 177-020-012, 177-020-018, 177-110-005 by Grant Deed; District 2, [\$0]

DATE: December 30, 2015

PAGE: 2 of 3

RECOMMENDED MOTION (Continued)

3. Authorize and Direct the Clerk of the Board to give notice in accordance with Government Code Section 6066.

BACKGROUND:

Summary

On November 24, 2014 the County of Riverside (County) and the Housing Authority of the County of Riverside (Housing Authority) entered into a Loan Agreement for the Use of County of Riverside General Funds (Loan Agreement). Under the Loan Agreement the County provided a loan to the Housing Authority in the amount of \$1,600,000 (County Loan) derived from its general fund. The Loan is evidenced by a Promissory Note and Secured by a Deed of Trust. The maturity date of the County Loan is November 23, 2016. The purpose of the loan was to pay off the outstanding principal and interest on predevelopment loans for entitlements, land carrying costs, design, architecture and engineering costs attributable to the Tres Lagos Senior Apartments (an 81 unit affordable rental housing project) to be developed in the City of Wildomar, and to pay transaction fees to consummate the transfer of the vacant property from Wildomar Tres Lagos Limited Partnership to the Housing Authority of the County of Riverside.

Pursuant to the Loan Agreement, the Housing Authority pledged its sales proceeds from the sale of certain surplus Housing Authority real property assets to repay the County Loan, including the sale of the following real property, (i) 15.53 acres of vacant unimproved real property located on Limonite Avenue and Camino Real, in the City of Jurupa Valley, identified as Assessor's Parcel Numbers 185-460-001, 185-470-001, and 185-470-002 (Property A), and (ii) 6.76 acres of vacant unimproved real property located on the eastern end of 30th Street in the City of Jurupa Valley, identified as Assessor's Parcel Numbers 177-020-012, 177-020-018, 177-110-005(Property B) (collectively, the Property).

In order to initiate the sale process as contemplated in the Loan Agreement, staff recommends adoption of the attached Resolution No. 2016-001 to provide notice of the Board of Commissioner's intention to sell the Property.

The Housing Authority considered developing the Property. After due consideration, it was determined to be too costly for development as single family homes and too small for multi-family housing. The Housing Authority proceeded to offer the Property for sale. An independent appraisal conducted for the Housing Authority by Len Perdue and Associates Inc., determined the collective fair market value of the Property to be \$1,875,000 (Property A valued at \$1,470,000, Property B valued at \$405,000). The proposed transaction is just the sale of vacant unimproved real property. There are no planned improvements to the Property contemplated. The proceeds of the sale will be used to first repay the loan from the General Fund; and the use of the disposition proceeds beyond the loan repayment shall occur pursuant to Health and Safety Code Section 34312.3.

Resolution No. 2016-001 has been approved as to form by County Counsel.

Impact on Citizens and Businesses

The sale will have a positive impact on the citizens and businesses of the County of Riverside as the net sale proceeds will be used by the Housing Authority in connection with furtherance of an affordable housing project within the County.

SUBMITTAL TO THE BOARD OF COMMISSIONERS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Housing Authority

FORM 11: Resolution No. 2016-001, Notice of Intention to Sell the Fee Interest in Real Property Located in the City of Jurupa Valley, County of Riverside, California, Assessor's Parcel Numbers 185-460-001, 185-470-001, 185-470-002, 177-020-012, 177-020-018, 177-110-005 by Grant Deed; District 2, [\$0]

DATE: December 30, 2015

PAGE: 3 of 3

SUPPLEMENTAL:

Additional Fiscal Information

No impact upon the County's General Fund. Typical transaction costs paid by the Housing Authority will be fully funded with 100% sale proceeds. No budget adjustment is necessary.

Contract History and Price Reasonableness

Not applicable at this time as this is only a notice of intention to sell.

Attachment: Resolution No. 2016-001
Site Maps

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3 **RESOLUTION NO. 2016-001**

4 **NOTICE OF INTENTION TO SELL FEE INTEREST IN REAL PROPERTY**
5 **LOCATED IN THE CITY OF JURUPA VALLEY, COUNTY OF RIVERSIDE, STATE**
6 **OF CALIFORNIA, IDENTIFIED AS ASSESSOR'S PARCEL NUMBERS 185-460-001,**
7 **185-470-001, 185-470-002, 177-020-012, 177-020-018, AND 177-110-005**
8

9 **WHEREAS**, Health and Safety Code Section 34312.3 allows housing authorities
10 to sell housing projects, after a public hearing, so long as the proceeds of any sale, net
11 the cost of sale, are used directly to assist a housing project pursuant to Health and
12 Safety Code Section 34312.3 for persons of low income, and the funds in any trust
13 fund established pursuant to Health and Safety Code Section 34312.3(f) are used
14 directly to assist housing units for persons of very low income;

15 **WHEREAS**, the Housing Authority of the County of Riverside ("Housing
16 Authority") owns the following vacant real property, (i) 15.53 acres of vacant
17 unimproved real property located on Limonite Avenue and Camino Real, in the City of
18 Jurupa Valley, identified as Assessor's Parcel Numbers 185-460-001, 185-470-001,
19 and 185-470-002, described in the legal description attached hereto as Exhibit "A" and
20 incorporated herein by this reference ("Property A"), and (ii) 6.76 acres of vacant
21 unimproved real property located on the eastern end of 30th Street in the City of
22 Jurupa Valley, identified as Assessor's Parcel Numbers 177-020-012, 177-020-018,
23 and 177-110-005, described in the legal description attached hereto as Exhibit "B" and
24 incorporated herein by this reference ("Property B"). Property A and Property B are
25 collectively referred to herein as the "Property." The Property is a housing project
26 pursuant to Health and Safety Code Section 34312.3;

27 **WHEREAS**, the Housing Authority is unable to develop the Property as
28 affordable housing and desires to sell the Property to Michael Fein, an individual,

1 ("Buyer") for A purchase price of One Million Eight Hundred Thousand Dollars
2 (\$1,800,000);

3 **WHEREAS**, the Buyer's offer is the highest viable offer obtained for
4 consideration by the Board of Commissioners;

5 **WHEREAS**, the net sale proceeds will be used for affordable housing purposes
6 pursuant to Health and Safety Code Section 34312.3; and

7 **WHEREAS**, the Buyer and the Housing Authority concur that it would be in both
8 parties best interest to convey the Property to the Buyer.

9 **NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** by
10 the Board of Commissioners of the Housing Authority of the County of Riverside in
11 regular session assembled January 12, 2016 and **NOTICE IS HEREBY GIVEN**,
12 pursuant to Section 34312.3 of the Health and Safety Code, that this Board at its public
13 hearing on or after February 2, 2016 at 9:30 a.m. in the meeting room of the Board of
14 Commissioners located on the 1st floor of the County Administrative Center, 4080
15 Lemon Street, Riverside, California, intends to authorize a transaction in which the
16 Housing Authority of the County of Riverside will convey to Michael Fein, an individual,
17 by Grant Deed, that certain real property located at Limonite Avenue and Camino Real
18 in the City of Jurupa Valley, County of Riverside, California, consisting of 15.53 acres,
19 identified as Assessor's Parcel Numbers 185-460-001, 185-470-001, and 185-470-002,
20 as more particularly described in Exhibit "A" attached hereto and incorporated herein
21 by this reference, and that certain real property located at the Eastern End of 30th
22 Street in the City of Jurupa Valley, County of Riverside, California, consisting of 6.76
23 acres, identified as Assessor's Parcel Numbers 177-020-012, 177-020-018, and 177-
24 110-005, as more particularly described in Exhibit "B" attached hereto and incorporated
25 herein by this reference, for a total purchase price of One Million Eight Hundred
26 Thousand Dollars (\$1,800,000.00).

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BY: *Shirley R. Brown* 11-22-15
JMAILA R. BROWN DATE

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BE IT FURTHER RESOLVED AND DETERMINED that the Clerk of the Board of Commissioners is directed to give notice hereof as provided in Section 6066 of the Government Code.

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EXHIBIT A
LEGAL DESCRIPTION – PROPERTY A
(CAMINO ASSEMBLAGE)

All that certain real property situated in the City of Jurupa Valley, County of Riverside, State of California, described as follows:

APN 185-460-001-3: LOT 1 OF TRACT NO. 20626, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 219, PAGE(S) 14 THROUGH 17, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA.

APN 185-470-001-4: LOT 2 OF TRACT NO. 20626, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 219, PAGE(S) 14 THROUGH 17, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA.

APN 185-470-002-5: LOT 3 OF TRACT NO. 20626, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS SHOWN BY MAP ON FILE IN BOOK 219, PAGE(S) 14 THROUGH 17, INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA.

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EXHIBIT B
LEGAL DESCRIPTION –PROPERTY B
(LOCKHART ASSEMBLAGE)

All that certain real property situated in the City of Jurupa Valley, County of Riverside, State of California, described as follows:

APN 177-020-012-4: THAT PORTION OF TRACT NO. 1 OF THE RE-SUBDIVISION OF THE LANDS FORMERLY BELONGING TO THE A. C. ARMSTRONG ESTATE, AS SHOWN BY MAP ON FILE IN BOOK 6, PAGE 31 OF MAPS, RIVERSIDE COUNTY RECORDS, AND SHOWN ON RECORD OF SURVEY ON FILE IN BOOK 6, PAGE 70 OF RECORDS OF SURVEY, RIVERSIDE COUNTY RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA.

APN 177-020-018-0: THAT PORTION OF TRACT NO. 1 OF THE RE-SUBDIVISION OF THE LANDS FORMERLY BELONGING TO THE A. C. ARMSTRONG ESTATE, AS SHOWN BY MAP ON FILE IN BOOK 6, PAGE 31 OF MAPS, RIVERSIDE COUNTY RECORDS, AND SHOWN ON RECORD OF SURVEY ON FILE IN BOOK 6, PAGE 70 OF RECORDS OF SURVEY, RIVERSIDE COUNTY RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA.

APN 177-110-005-6: THAT PORTION OF TRACT NO. 1 OF THE RE-SUBDIVISION OF THE LANDS FORMERLY BELONGING TO THE A. C. ARMSTRONG ESTATE, AS SHOWN BY MAP ON FILE IN BOOK 6, PAGE 31 OF MAPS, RIVERSIDE COUNTY RECORDS, AND SHOWN ON RECORD OF SURVEY ON FILE IN BOOK 6, PAGE 70 OF RECORDS OF SURVEY, RIVERSIDE COUNTY RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA.