

FORM APPROVED COUNTY COUNSEL
 BY: GREGORY P. PRIAMOS DATE 5/19/16

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

815



FROM: Housing Authority

SUBMITTAL DATE:
 May 25, 2016

SUBJECT: Adopt Resolution No. 2016-005 Authorizing the Conversion of the Housing Authority of the County of Riverside's Public Housing Sites to Project Based Section 8 under the U.S. Department of Housing and Urban Development's Rental Assistance Demonstration Program and the Conveyance of Related Real Property to the Riverside Community Housing Corp., All districts, [\$55,000] 100% Housing Authority Public Housing Reserve; Project is CEQA Exempt

RECOMMENDED MOTION: That the Board of Commissioners:

1. Find that the project is exempt from California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Sections 15061(b)(3) and 15301;
2. Find that the project is a categorically excluded activity subject to Title 24 of the Code of Federal Regulations (CFR) Section 58.5 and is an exempt activity pursuant to Title 24 CFR Section 58.34(a)(12) in accordance with the National Environmental Policy Act of 1969;

(Continued)

Robert Field

Robert Field
 Executive Director

FISCAL PROCEDURES APPROVED
 PAUL ANGLUO, CPA, AUDITOR-CONTROLLER
 BY: Esteban Hernandez DATE 5/19/16

Departmental Concurrence

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 55,000	\$ 0	\$ 55,000	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS: Housing Authority Public Housing Reserves 100%				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.: 10.1 9/23/2014

District: All

Agenda Number:

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

Housing Authority

FORM 11: Adopt Resolution No. 2016-005 Authorizing the Conversion of the Housing Authority of the County of Riverside's Public Housing Sites to Project Based Section 8 under the U.S. Department of Housing and Urban Development's Rental Assistance Demonstration Program and the Conveyance of Related Real Property to the Riverside Community Housing Corp., All districts, [\$55,000] 100% Housing Authority Public Housing Reserve; Project is CEQA Exempt

DATE: May 25, 2016

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RECOMMENDED MOTION (Continued)

3. Adopt Resolution No. 2016-005 Authorizing the Conversion of the Housing Authority of the County of Riverside's (Authority) Public Housing Sites to Project Based Section 8 under the U.S. Department of Housing and Urban Development's Rental Assistance Demonstration (RAD) Program, Approving the Conveyance of Related Real Property Pursuant to RAD from the Housing Authority to Riverside Community Housing Corp. (RCHC) for the Sum of \$1, and Related Activities;
4. Approve the attached form of Use Agreement and authorize the Executive Director, or designee, to execute Use Agreements conforming to the attached form; and
5. Authorize the Authority Executive Director, or designee, to take all necessary steps to complete and implement Resolution No. 2016-005 and the RAD conversion on behalf of the Authority, including, but not limited to, executing any and all necessary documents and completing all actions to support the RAD conversion and all associated real estate activity, including, but not limited to, the execution of HUD RAD documents, real estate documents, grant deeds, Use Agreements, releases, and housing assistance payment contracts subject to approval by County Counsel.

BACKGROUND:

Summary

The Housing Authority of the County of Riverside (Authority) currently owns and operates 469 units of affordable housing (collectively, the Properties) within the County of Riverside. These Properties comprise 19 sites for a total of 54 assessor's parcel numbers (APNs) as described in Attachment A, Properties Overview, attached hereto. Site maps for the Properties are attached hereto as Attachment B.

Funding to maintain the Properties is currently derived from the U.S. Department of Housing and Urban Development (HUD) for the Public Housing Program. The Public Housing Program has continued to be underfunded through the years, with additional budget cuts to the Capital Fund Program that provides the income source for the modernization of public housing units. This dilemma has forced the Authority to make tough choices between maximizing the funding for repairs or focusing on preventive maintenance. The current available funding has failed to keep up with the renovation needs to enhance the living conditions of residents. Further, through the Public Housing Program, residents do not have flexibility to choose where they prefer to live without losing housing assistance.

The Rental Assistance Demonstration (RAD) Program is a voluntary program sponsored by HUD. RAD seeks to preserve public housing by providing Public Housing Agencies (PHA), such as the Authority, with access to more stable funding. Under RAD's Project-Based Vouchers (PBVs) component, projects funded under the Public Housing Program convert their assistance to long-term, project-based Section 8 rental assistance contracts that can leverage debt, obtain tax credits, and modify their operating structures to achieve greater levels of efficiency to the benefit of residents, public housing authorities and communities. The Section 8 contracts are for 15-20 years and are a more stable funding source than traditional public housing funding sources.

(Continued)

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Housing Authority

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DATE: May 25, 2016

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BACKGROUND: (Continued)

Summary

Converted Properties will be available for rent to households with income of not more than 50% of the area median income (AMI), adjusted by household size, as set forth annually by HUD, at the initial lease term. Existing rents will remain the same.

The Authority notified all residents of the Properties about its plans to convert the Properties under RAD. Public meetings were held on July 21, 2014 and July 28, 2014, during which time residents of the Properties were provided the opportunity to comment. An additional meeting was held on June 10, 2015 with the Resident Advisory Board. The outcomes were favorable overall.

The Authority Board of Commissioners approved and authorized the Authority to apply to HUD for the RAD Program on September 23, 2014. On May 15, 2015 HUD approved the Authority's RAD request for PBV conversion for all Properties and provided a Commitment to enter into Housing Assistance Payments (CHAP). In January, 2016 the Authority submitted documents to HUD to satisfy conditions of the CHAP. Three separate RAD Conversion Commitments (RCC) covering all the Properties were issued by HUD to the Authority on April 14, 2016 representing the agreed upon and approved terms of the RAD transaction. Conveyance of title to the Properties, effectuating final RAD conversion, is expected to be completed by July 8, 2016.

To facilitate the RAD conversion, the Properties will be conveyed from the Authority, by grant deed, to the Riverside Community Housing Corp. (RCHC), a California nonprofit public benefit corporation that is an affiliate of the Authority. The Properties will be conveyed for one dollar. Costs associated with the transfer of the Properties from the Authority to RCHC, including escrow fees, title fees, recording fees, costs to conduct RAD-required final property inspections, and costs to convert Tenmast software, are itemized under the Additional Fiscal Information section below.

In order to ensure that the Properties will be used for the purposes required by HUD through RAD, Use Agreements will be recorded against the Properties at the close of escrow. A copy of the proposed form of Use Agreement is attached hereto as Attachment C. The Use Agreements restrict occupancy of the Properties to households whose income does not exceed 50% AMI at the initial lease term and other HUD required restrictions. Recordation of a deed restriction such as the Use Agreement is also necessary for RCHC to obtain exemption from the Riverside County Assessor for payment of real property taxes.

Environmental Findings

Pursuant to the California Environmental Quality Act (CEQA), the Use Agreement and Resolution No. 2016-005 were reviewed and determined to be categorically exempt from CEQA under State CEQA Guidelines Section 15061(b) (3), General Rule or "Common Sense" exemption, and Section 15301 Class 1- Existing Facilities exemption. The project includes the following, (i) a Use Agreement restricting use and occupancy of the Properties to rental to very low income households; and (ii) Resolution No. 2016-005, authorizing the conveyance of the existing Properties from the Authority to RCHC and implementation of the RAD conversion as required by HUD (Project). The Use Agreement and Resolution No. 2016-005 are administrative in nature and will have purely financial effects. The conveyance of already existing housing units will also not have an effect on the environment since the current use and operation of the Properties will remain the same.

(Continued)

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BACKGROUND: (Continued)

Summary

Further, the conveyance of the already existing housing units as set forth in the Resolution is categorically exempt from CEQA under CEQA Guidelines 15301, Class 1 – Existing Facilities since the Project includes no rehabilitation of existing facilities and no expansion of an existing use will occur. In addition, it can be seen with certainty that there is no possibility that the Project may have a significant effect on the environment and will not lead to any direct or reasonably indirect physical environmental impacts since the existing use will be maintained. A Notice of Exemption will be filed by Authority staff with the County Clerk upon approval of the Use Agreement and Resolution No. 2016-005.

The proposed activities meet the conditions for categorical exclusion under Title 24 of the Code of Federal Regulations (CFR) Section 58.35(a) and are exempt activities pursuant to Title 24 CFR Section 58.34(a)(12) and in accordance with the provisions of the National Environmental Policy Act of 1969 (NEPA). Therefore, an Environmental Impact Statement under NEPA was not required.

In order to complete the RAD conversion and conveyance of the Properties as proposed herein, staff recommends that the Authority Board of Commissioners adopt Resolution No. 2016-005 Authorizing the Conversion of the Housing Authority of the County of Riverside's Public Housing Sites to Project Based Section 8 under the U.S. Department of Housing and Urban Development's Rental Assistance Demonstration Program and the Conveyance of Related Real Property to the Riverside Community Housing Corp, attached hereto as Attachment D, and authorize the Executive Director, or designee, to execute all required RAD documents and complete and implement the RAD conversion. The attached form of Use Agreement and Resolution No. 2016-005 have been approved as to form by County Counsel.

Impact on Citizens and Businesses

HUD considers RAD to be a central part of its rental housing preservation strategy to stimulate efficiency and build resilient, steady communities. Properties under RAD are placed on a more stable Section 8 funding platform, with more resources to improve living conditions of residents. Moreover, the choice-mobility option would be available to residents after a one-year tenancy in the project-based units. During two public meetings, current residents of the Authority's public housing sites were provided the opportunity for comment. Most residents were very interested in witnessing improvements in their surrounding areas and given an option to live elsewhere. Converting the Properties to the Section 8 Program under RAD's PBV program is expected to increase lease-up rates, allow other people in the Public Housing waiting list to reside in the project-based units and receive housing assistance.

(Continued)

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SUPPLEMENTAL:

Additional Fiscal Information

Estimated transaction costs.

Description	Paid By	Payable To	Estimated Amount
Purchase Price	RCHC	Authority	\$ 1
Escrow fees	RCHC	Escrow holder	\$ 3,175
Document Preparation	RCHC	Escrow holder	\$ 3,000
Title policy fees	RCHC	Title insurance provider	\$ 6,500
Recording fees	RCHC	Riverside County Recorder	\$ 2,000
Total fees paid by RCHC:			\$ 14,676
Outside Legal Counsel	Authority	To be determined	\$ 25,000
Property Inspections	Authority	To be determined	\$ 15,000
Tenmast conversion fees	Authority	Tenmast	\$ 15,000
Total fees paid by Authority:			\$ 55,000

Attachments:

- A. Properties Overview
- B. Site Maps
- C. Form of Use Agreement
- D. Resolution No. 2016-005 Authorizing the Conversion of the Housing Authority of the County of Riverside's Public Housing Sites to Project Based Section 8 under the U.S. Department of Housing and Urban Development's Rental Assistance Demonstration Program and the Conveyance of Related Real Property to the Riverside Community Housing Corp

ATTACHMENT A
Properties Overview

RAD Properties Overview

Name	APN	Address	Number of Units
Rubidoux Village Townhomes	179-140-011	5571, 5577, 5581, 5587, 5591, 5595, and 5597 34th Street Riverside, CA 92509	29
	179-140-013		
	179-140-015		
	179-140-017		
El Dorado Gardens	191-110-003	4675 Jackson St. Riverside, CA 92503	68
Gloria Crossing Apartments	479-210-008	25011, 25025, 25033, 25035, 25037, 25039, 25045, 25051, 25078, 25080, 25103, 25104, 25105, 25106, 25110, 25116, 25117, 25118, 25125, 25126, 25127, 25128 and 25225 Gloria Street Moreno Valley, CA 92553	14
	479-210-009	13816 and 13836 Perris Blvd. Moreno Valley, CA 92553	20
Dracaea Townhomes	482-080-033	24340, 24346, 24356, 24360, and 24366 Dracaea Ave. Moreno Valley, CA 92553	28
	482-080-034		
Sherman Apartments	291-192-010	22211, 22215, 22239, and 22245 Sherman Avenue Moreno Valley, CA 92553	4
	291-192-011		
	291-192-012		
	291-192-013		
Fort Drive Apartments	181-081-009	3974, 3986, 3990, 3992, 3996, and 3998 Fort Drive Jurupa Valley, CA 92509	9
	181-081-010		
	181-081-011		
Highland Park Place Apartments	247-111-018	372 Highland Avenue Riverside, CA 92507	4
	247-111-021		
	247-111-022		
Broadway Manor Townhomes	379-250-037	16366, 16376, 16388, 16390, 16400, 16412, 16422, 16436, and 16448 Broadway Street Lake Elsinore, CA 92530	28
	379-250-038		
	379-250-039		
	379-250-040		
Fairview Lake Townhomes	387-092-027	33051 and 33091 Fairview St. Lake Elsinore, CA 92530	16
	387-092-028		
	387-092-029		
	387-092-030		
	387-092-031		
	387-092-032		
387-092-033			
Midway Capri Apartments	313-283-027	102, 104, 108, 112, 116, 120, 124, 130, 136, and 142 Midway Street Perris, CA 92570	40
	313-283-028		
	313-283-029		
	313-283-030		
	313-283-031		
	313-283-032		
	313-283-033		
	313-283-034		
313-283-035			
313-283-036			
Idyllwild Place	434-314-001	475 and 479 Idyllwild Dr. San Jacinto, CA 92583	14
	434-314-002		
	434-314-003		
Beaumont Grove Apartments	418-150-011	717, 733, 749, 765, 769, 771, 781, 789, 815, and 837 E. 5 th St Beaumont, CA 92223	10
	418-150-012		
	418-150-014		
Banning Townhomes	541-121-042	975 E. Williams St. Banning, CA 92220	14
Quinto Del Sol Apartments	644-230-005	13580, 13582, 13584, 13586, 13588, 13590, 13600, 13602, and 13604 Don English Way Desert Hot Springs, CA 92240	42
Corregidor Manor	673-140-007	34-355 Corregidor Dr. Cathedral City, CA 92234	14
Aladdin Villas	608-230-032	45-909 Aladdin St. Indio, CA 92201	20
Thermal I Apartments	757-061-032	87-015, 87-025, and 87-045 Church St. Thermal, CA 92274	14
	757-061-031	56-640, 56-660, and 56-680 Polk St., Thermal, CA 92274	14
Thermal II Apartments	757-061-033	56-690, 56-700, 56-710, and 56-720 Polk St. Thermal, CA 92274	25
Dr. Clair S. Johnson Apartments	727-130-017	91-400 Seventh St. Mecca, CA 92254	40

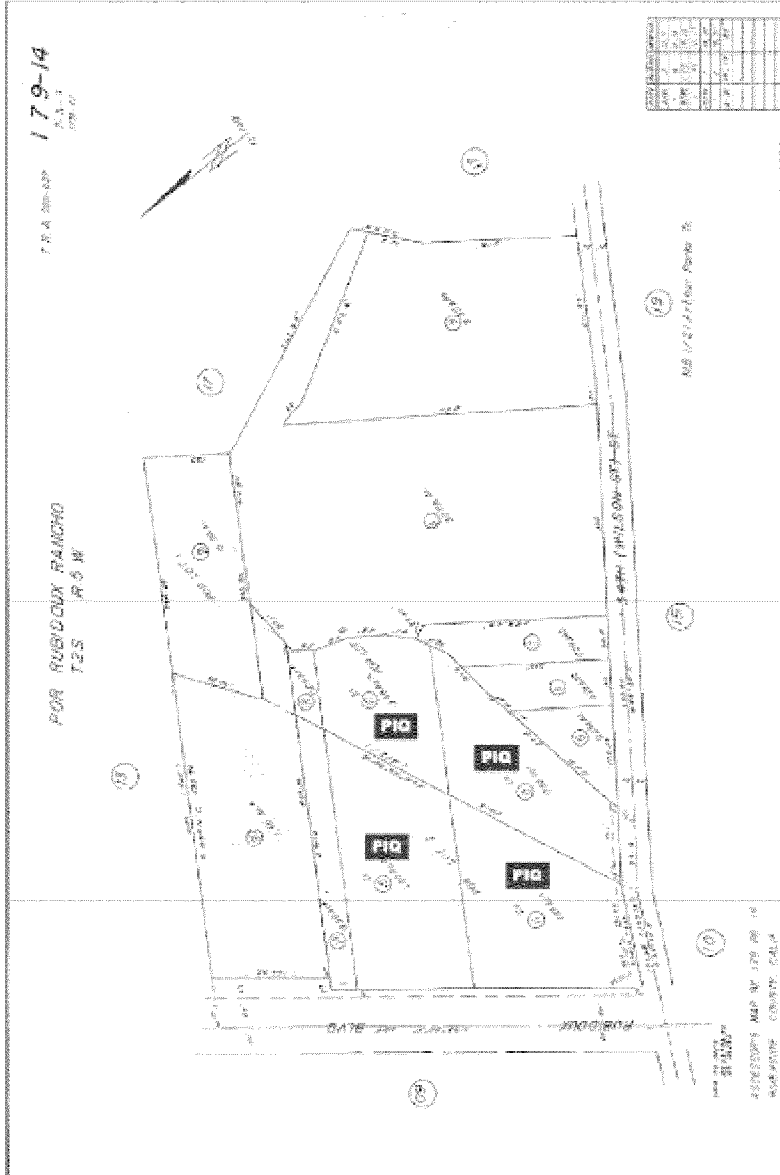
54 APNs

469

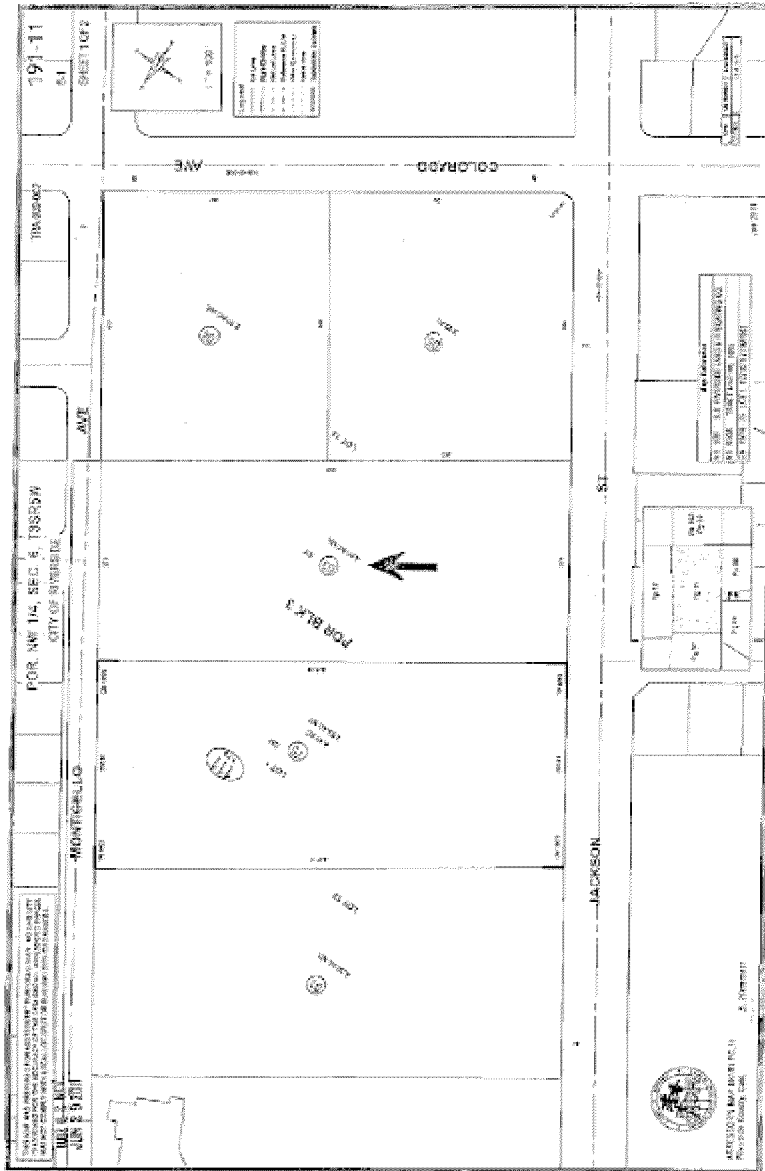
Total

ATTACHMENT B
Site Maps

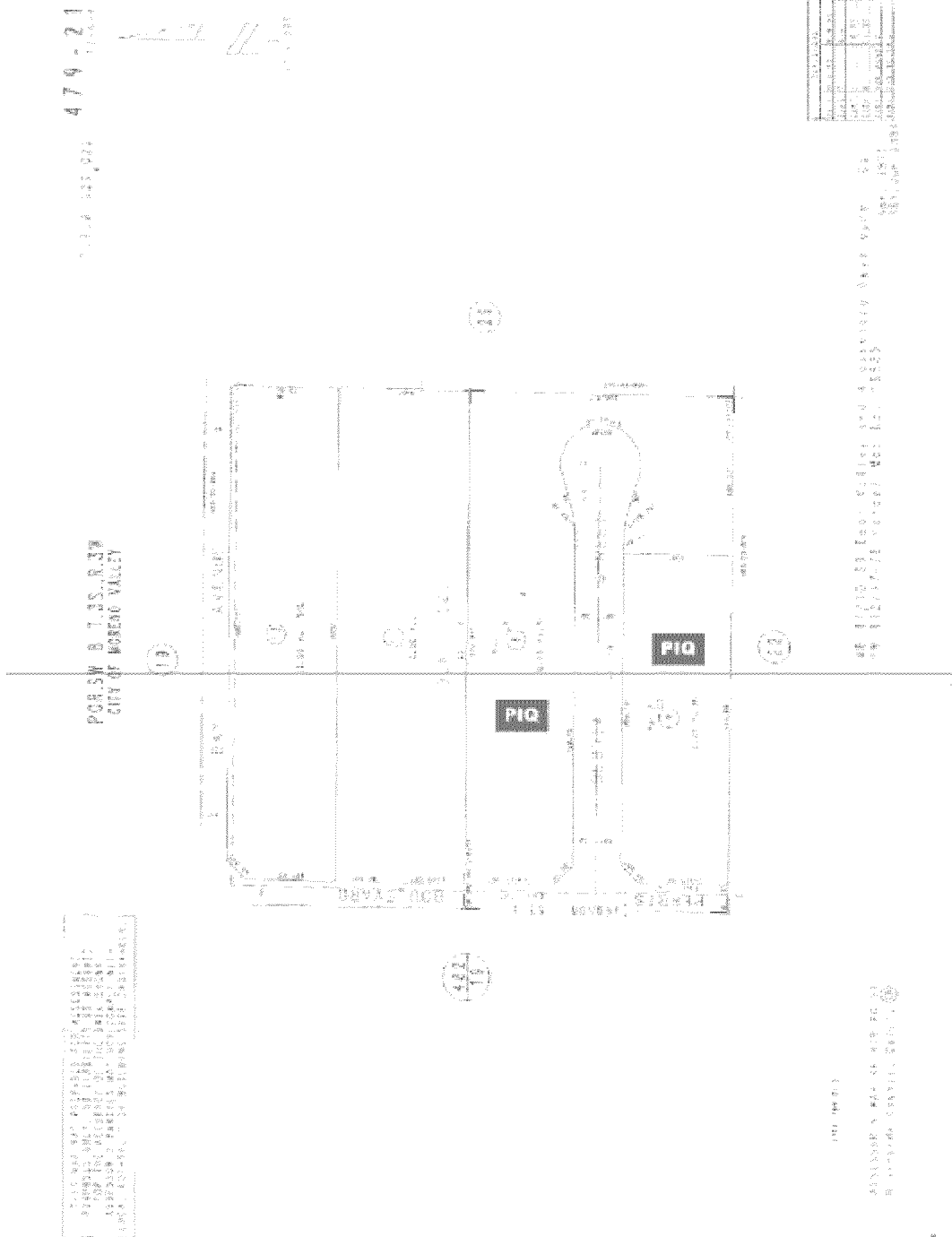
Rubidoux Village Townhomes



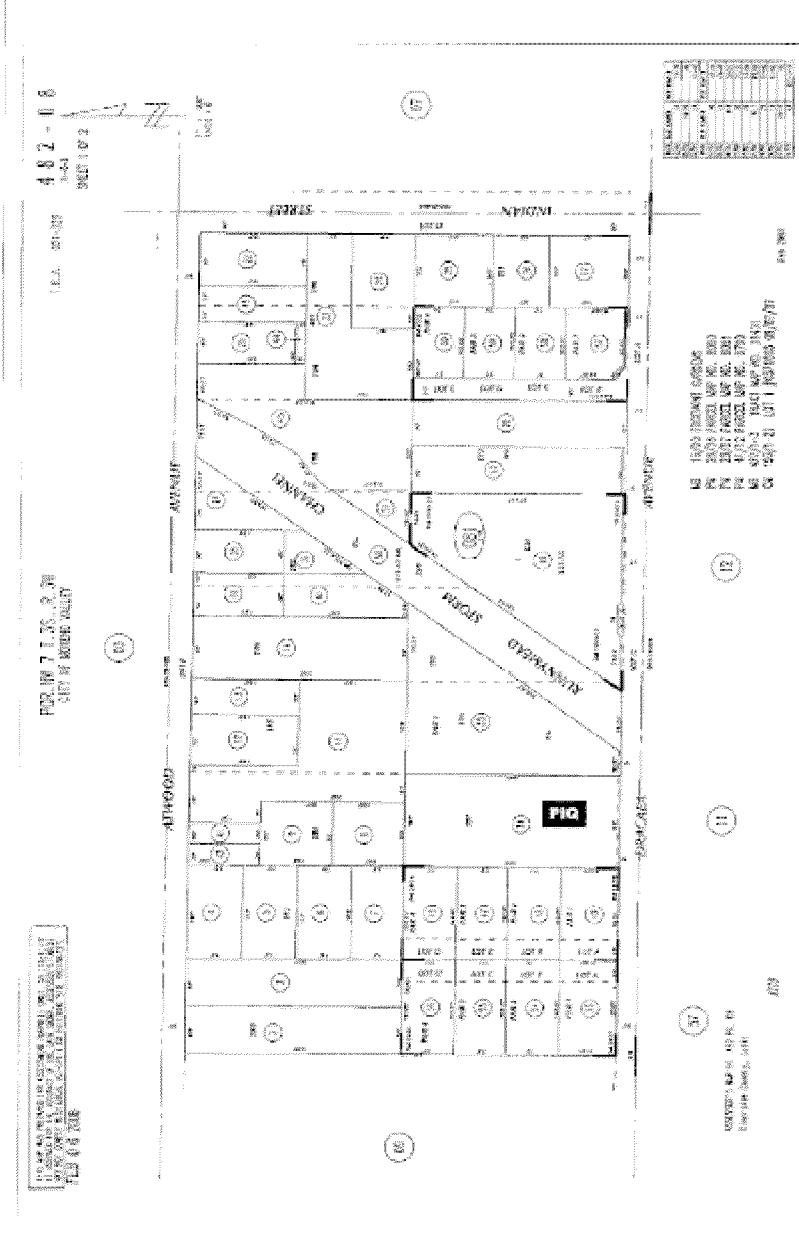
El Dorado Gardens



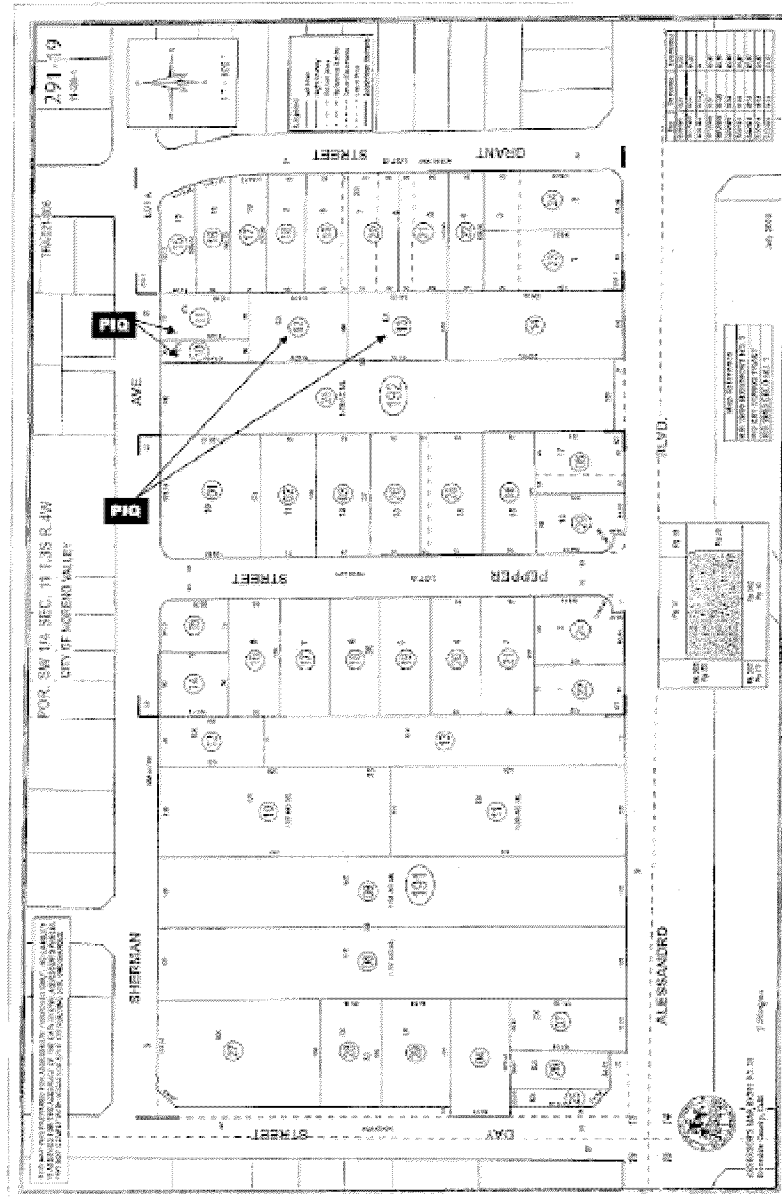
Gloria Crossing Apartments



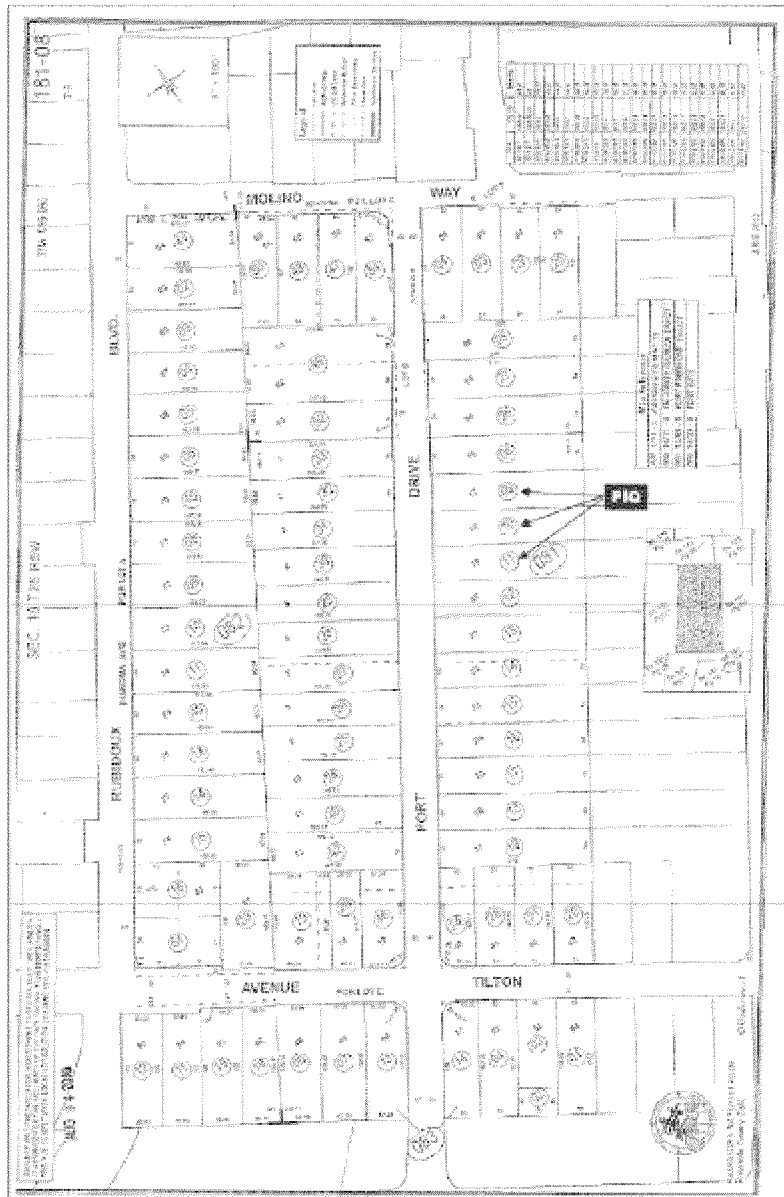
Dracaea Townhomes



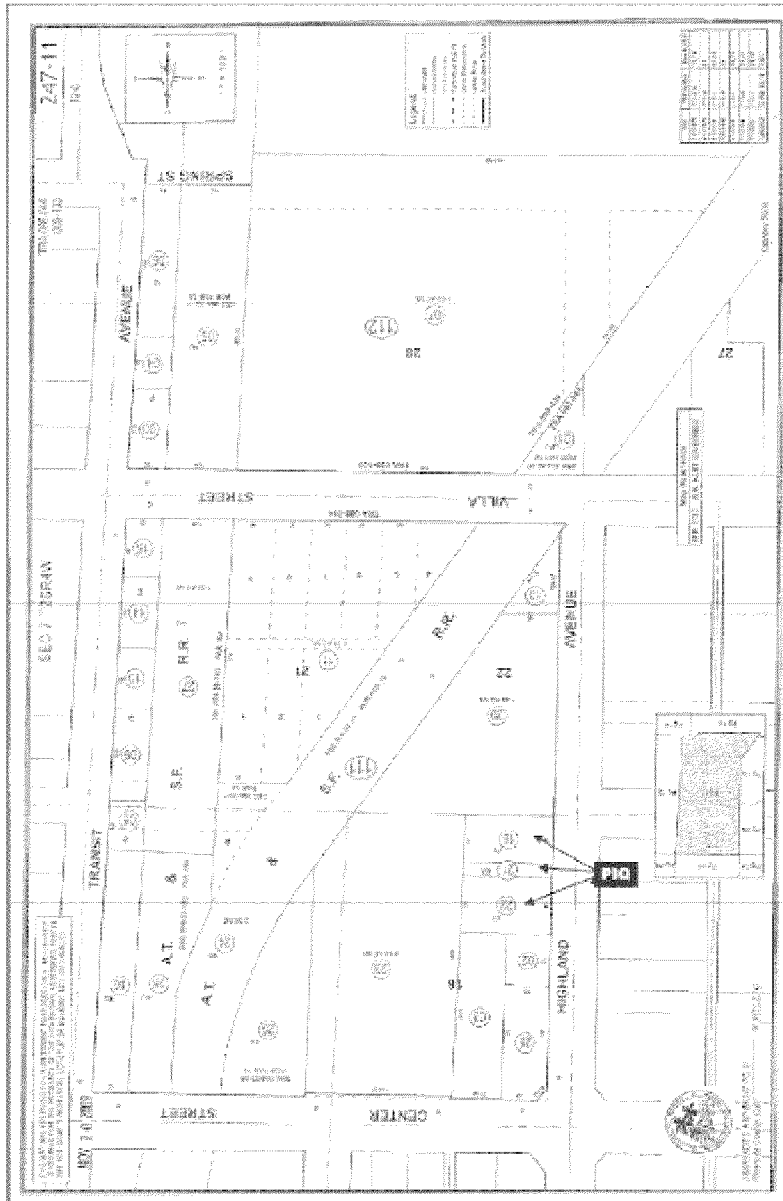
Sherman Apartments



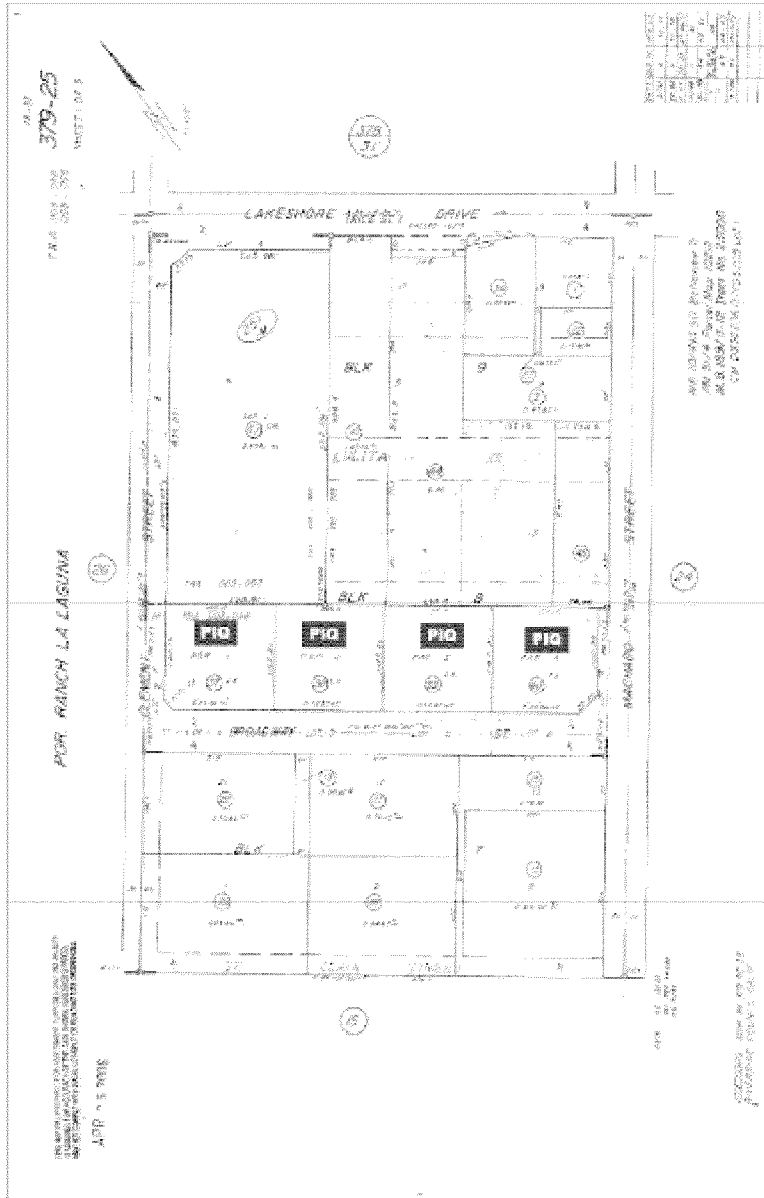
Fort Drive Apartments



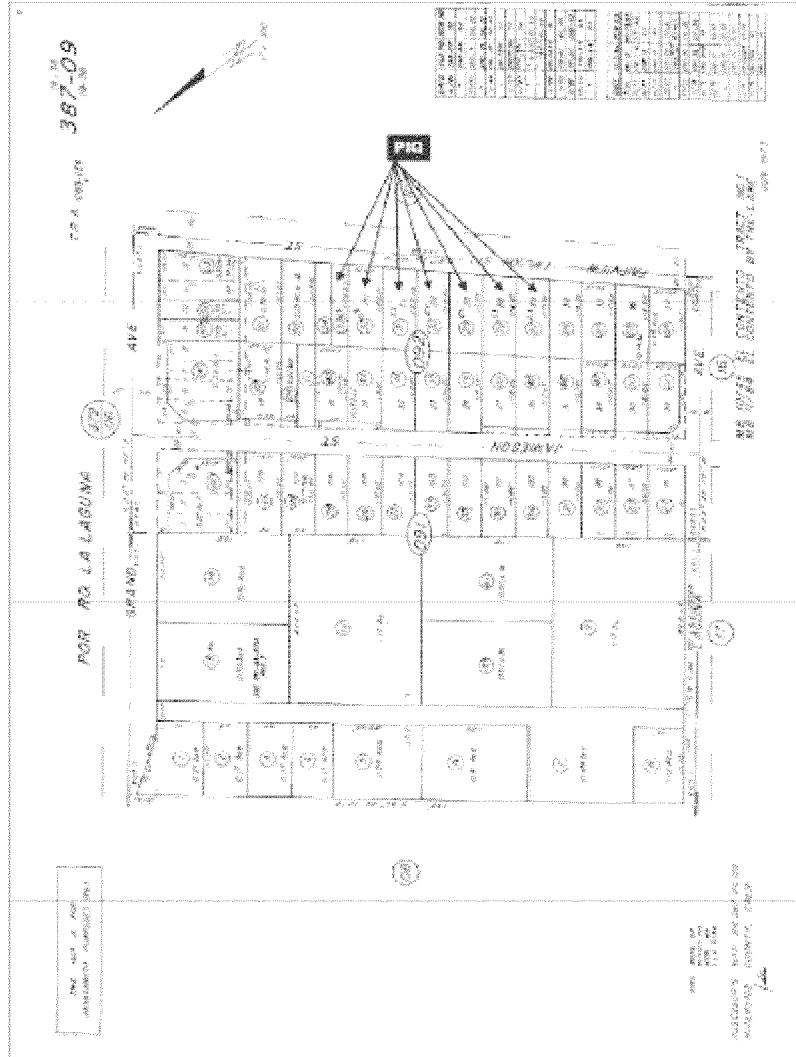
Highland Park Place Apartments



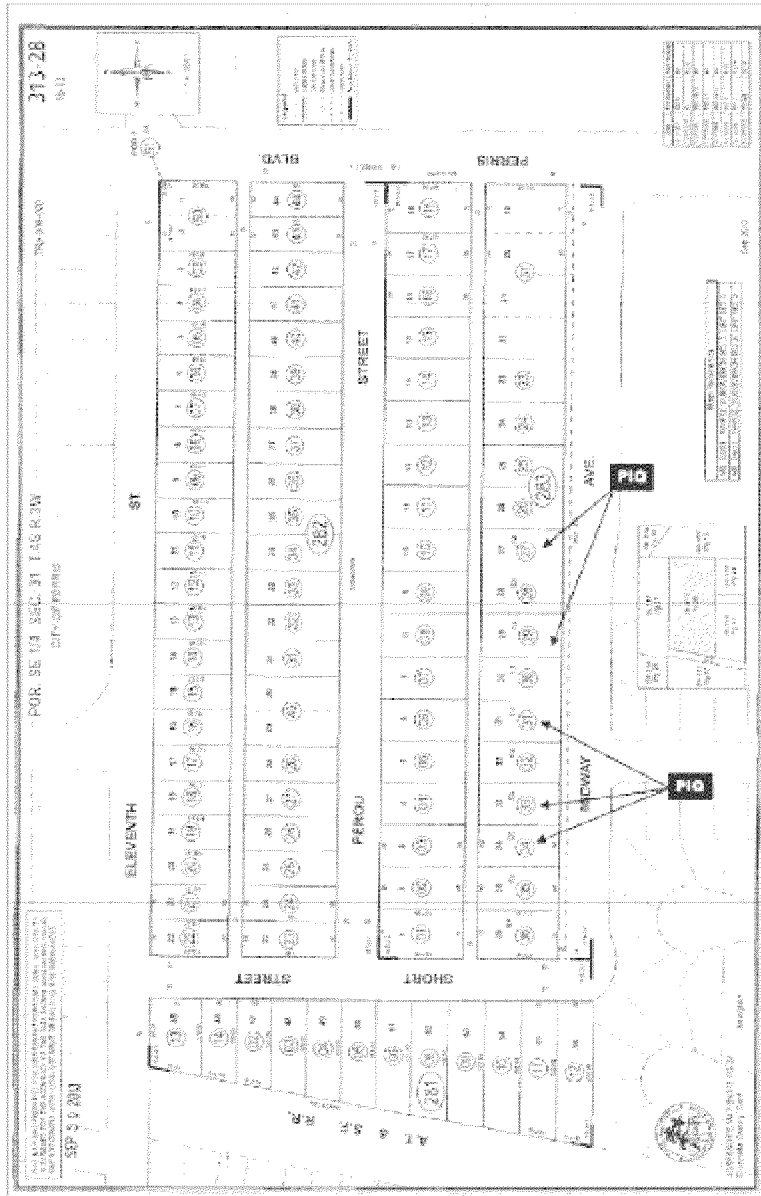
Broadway Manor Townhomes



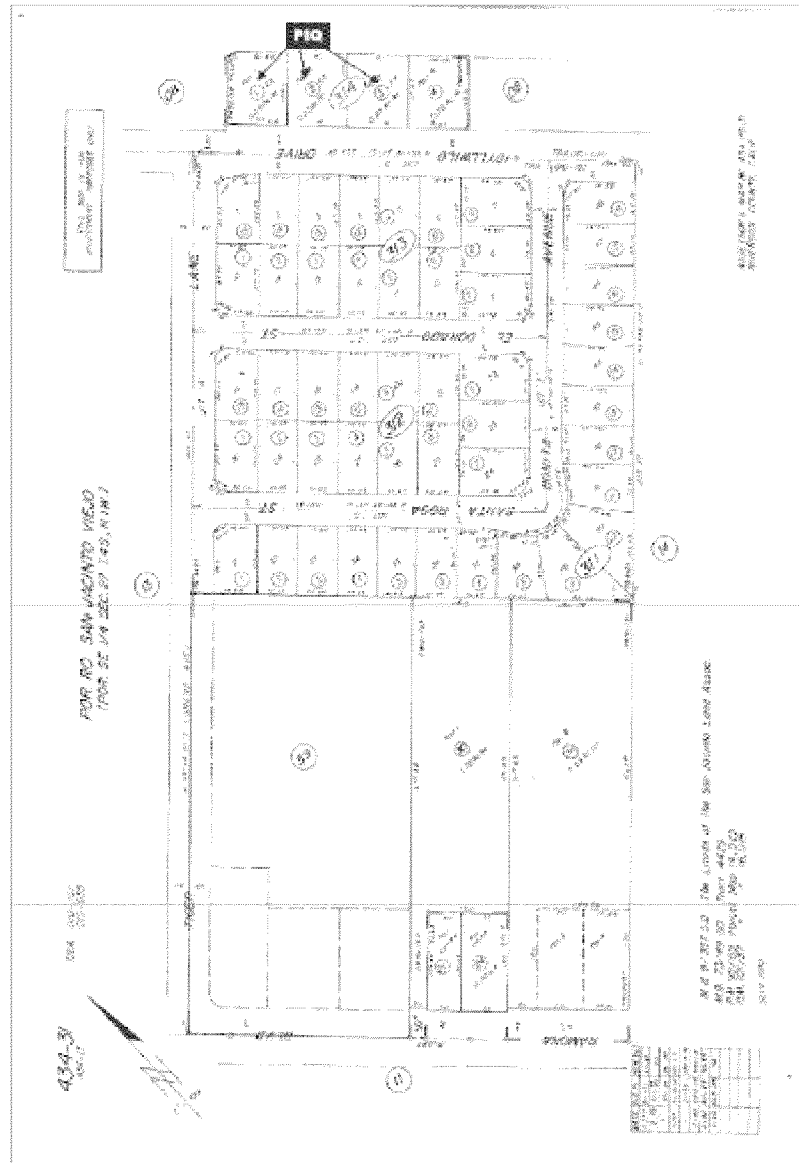
Fairview Lake Townhomes



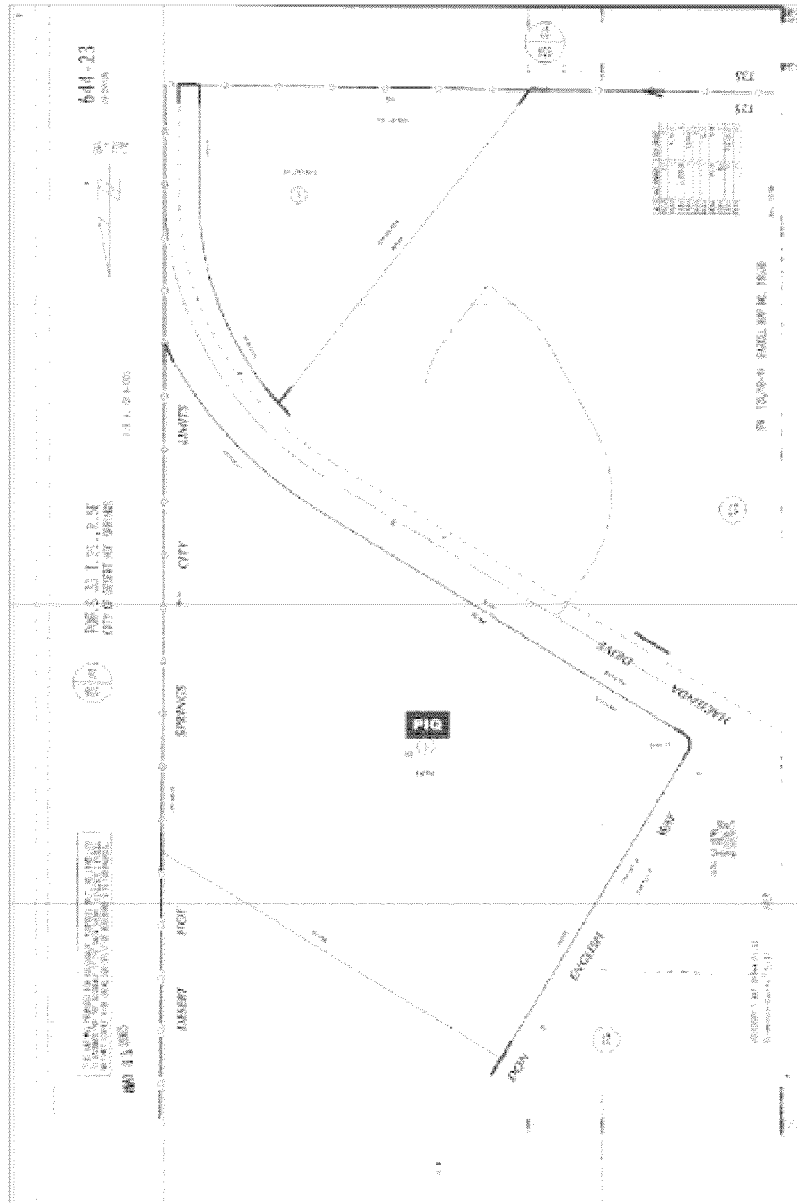
Midway Capri Apartments



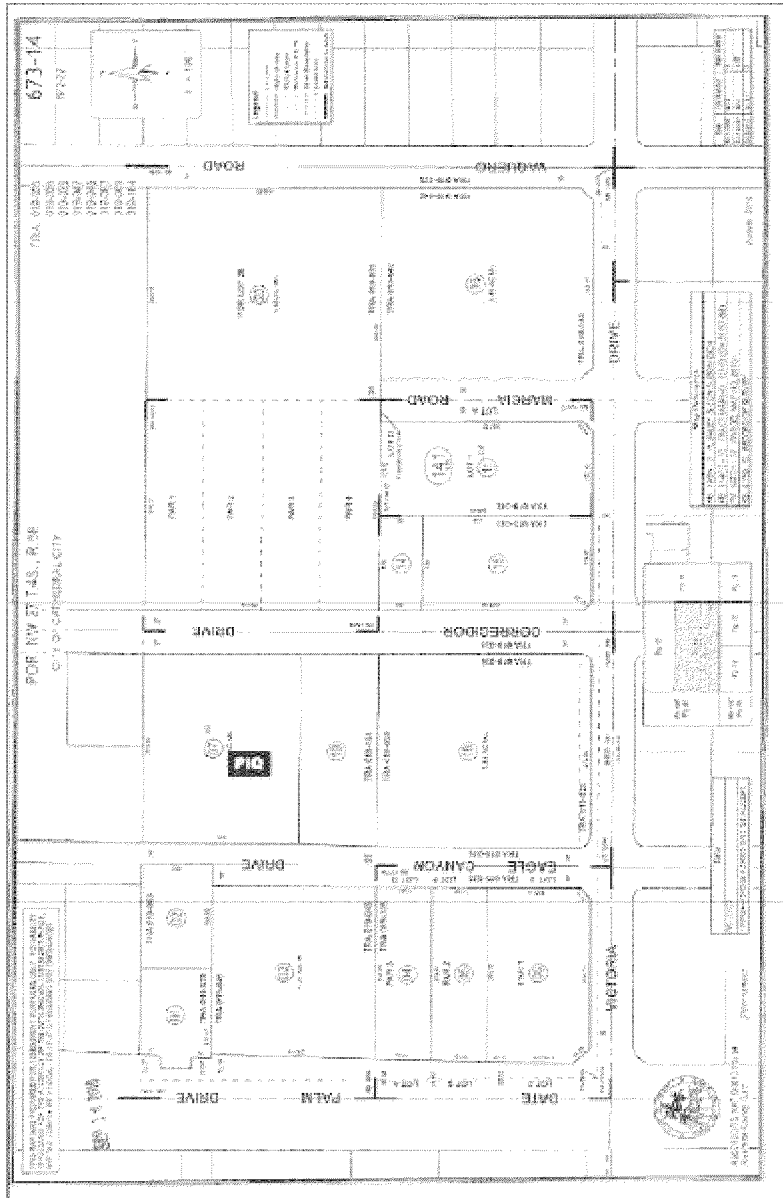
Idyllwild Place



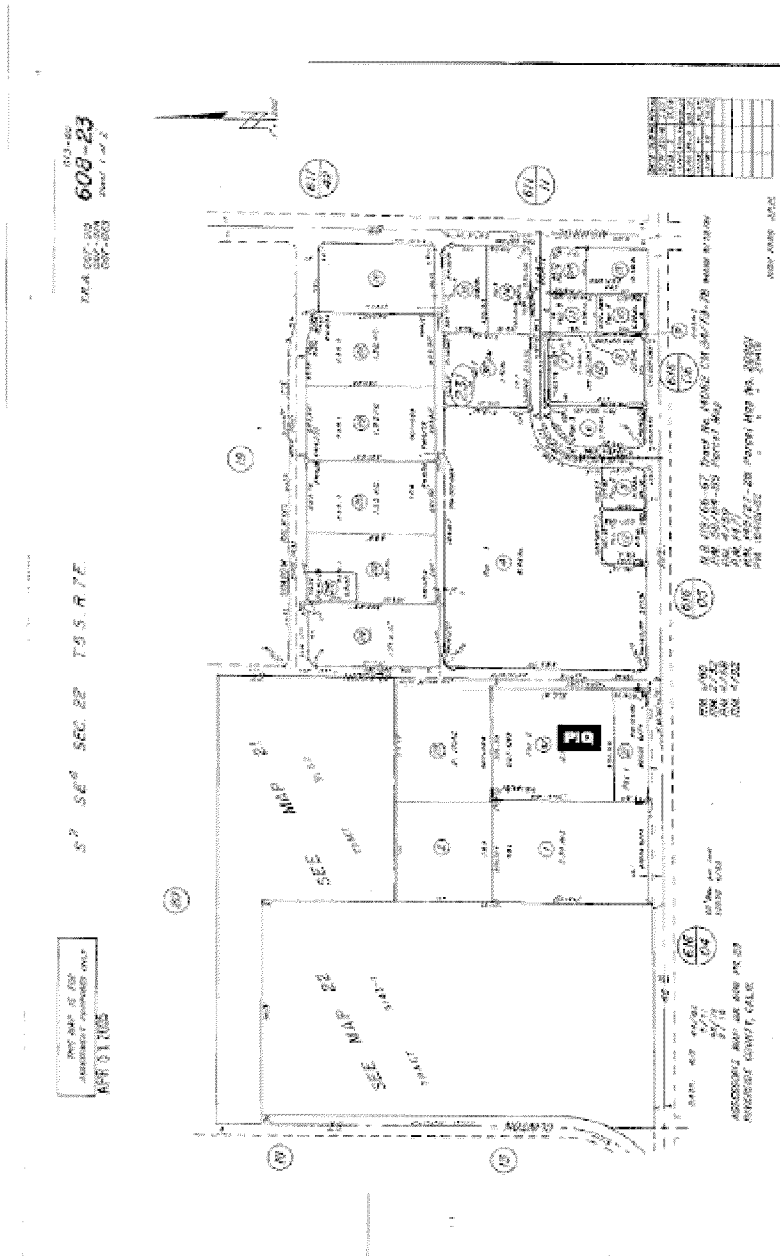
Quinto Del Sol Apartments



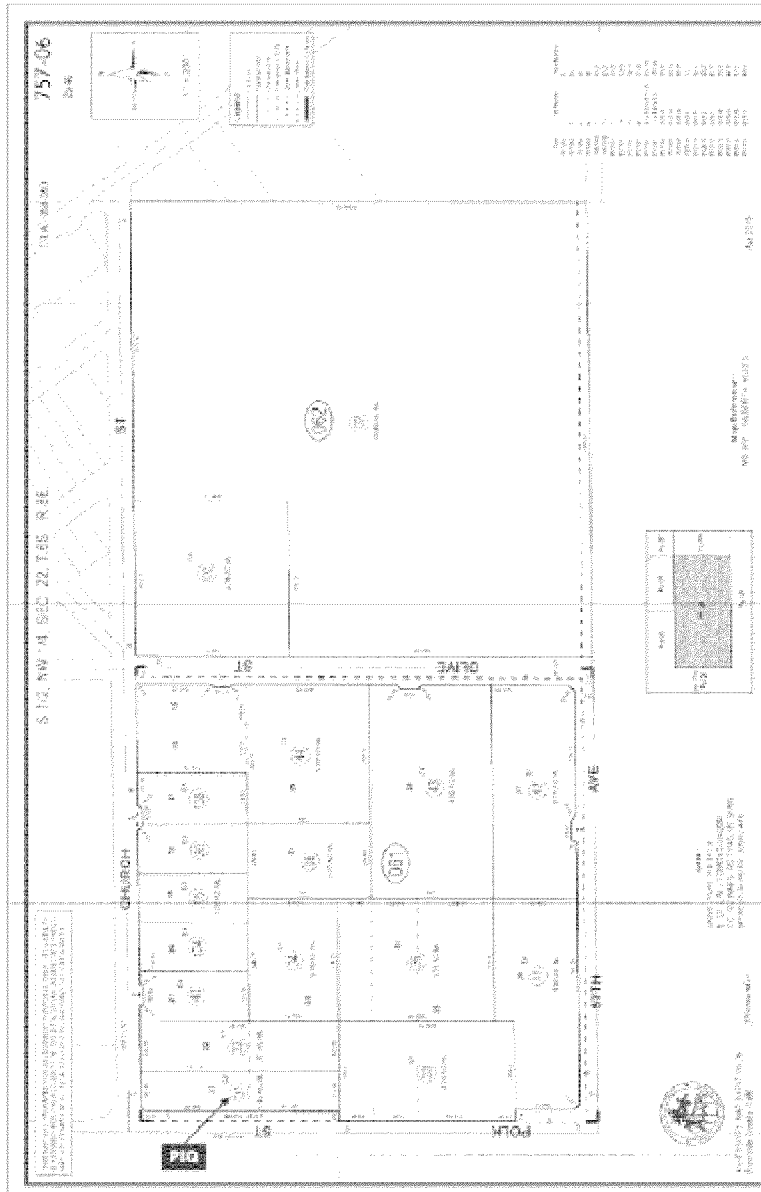
Corregidor Manor



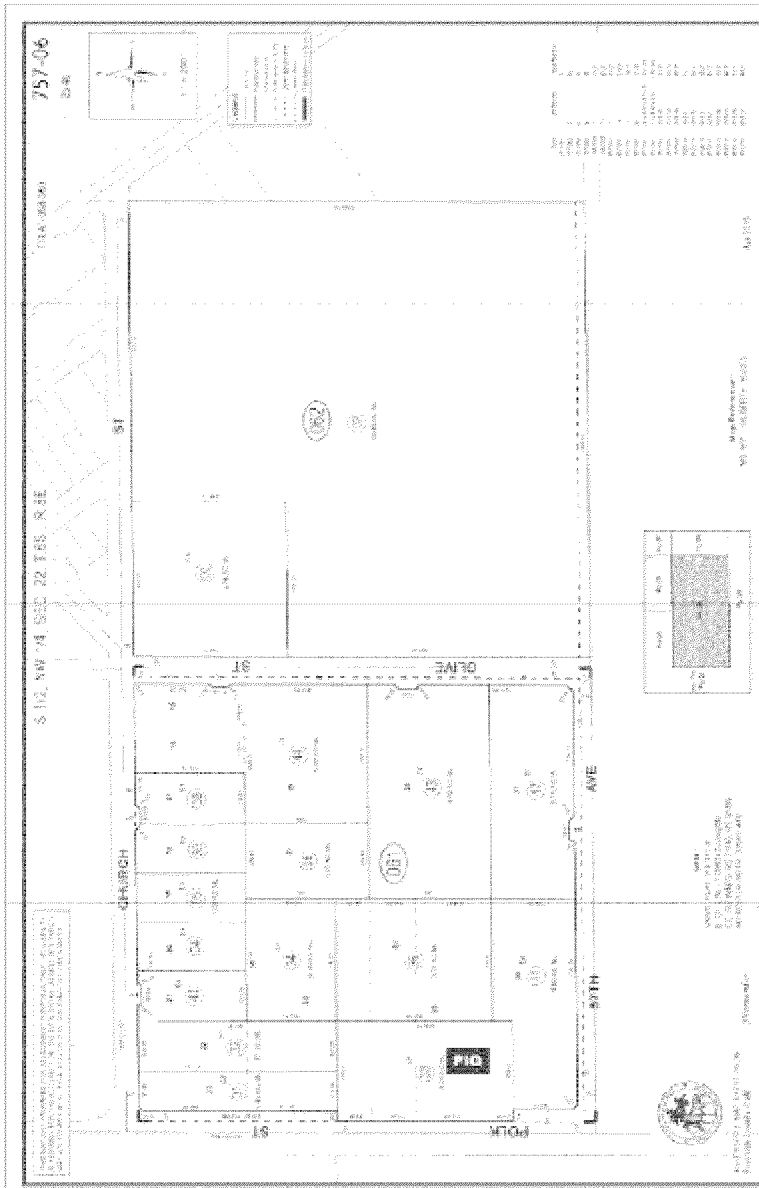
Aladdin Villas



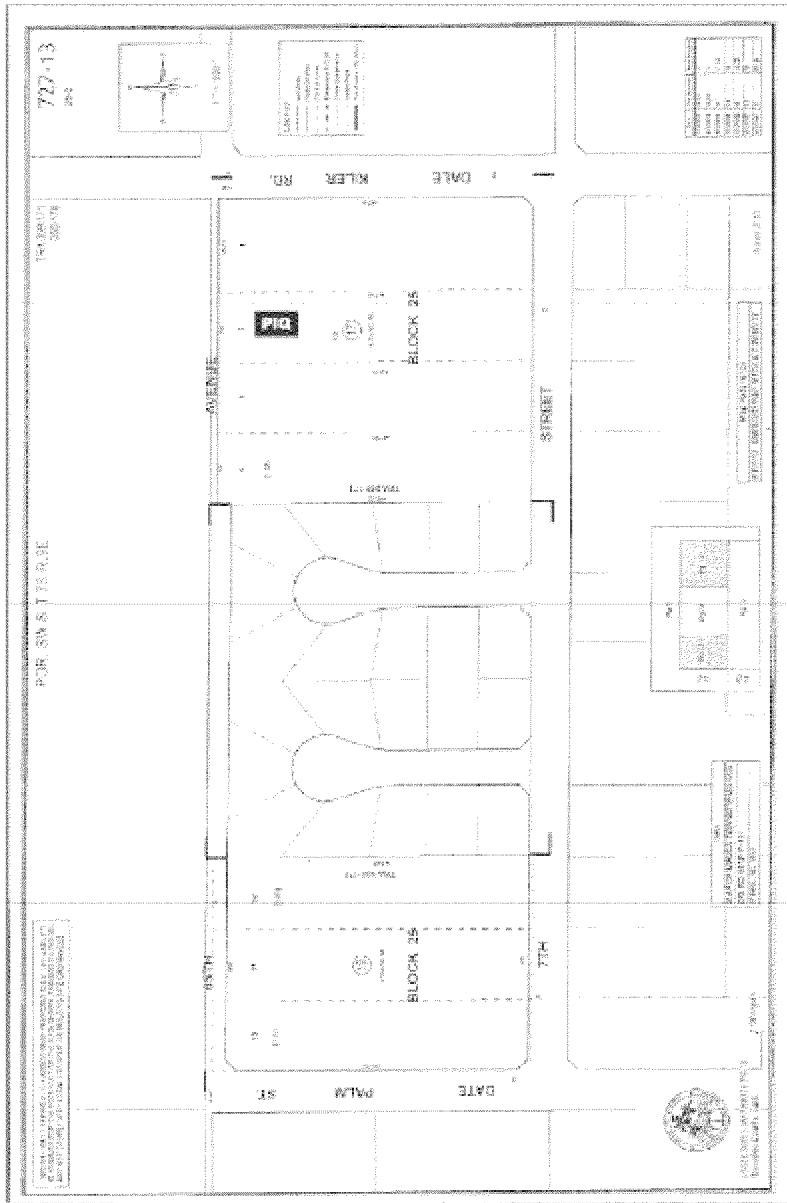
Thermal I Apartments



Thermal II Apartments



Dr. Clair S. Johnson Apartments



ATTACHMENT C
Form of Use Agreement

Recording Requested By
and When Recorded Mail To:

Housing Authority of the County of Riverside
5555 Arlington Avenue
Riverside, CA 92504
Attn: Executive Director

No fee for recording pursuant to
Government Code Section 27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**Rental Assistance Demonstration
Use Agreement
(Project Name)**

Project Address

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Paperwork Reduction Project (2577-0276), Office of Information Technology, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This Rental Assistance Demonstration Use Agreement (hereinafter called the "Agreement") made the _____ day of July, 2016, by and between the United States of America, Secretary of Housing and Urban Development (hereinafter called "HUD") and the Housing Authority of the County of Riverside, Owner, (hereinafter called the "Owner"), provides as follows:

Whereas, Rental Assistance Demonstration (hereinafter called "RAD") provides the opportunity to test the conversion of public housing and other HUD-assisted properties to long-term, project-based Section 8 rental assistance to achieve certain goals, including the preservation and improvement of these properties through access by Owners to private debt and equity to address immediate and long-term capital needs.

Whereas, Projects funded under the public housing programs may under RAD convert their assistance to long-term, project-based Section 8 rental assistance contracts. Under this component of RAD, Owners may choose between two forms of Section 8 Housing Assistance Payment (HAP) contracts: project-based vouchers (PBVs) or project-based rental assistance (PBRA). No incremental funds are authorized for this component. Owners will convert their assistance at current subsidy levels.

Whereas, Projects shall have a RAD Use Agreement that will be recorded superior to other liens on the property, run for the same term as the initial term of the HAP contract, automatically renew upon each extension or renewal of the HAP contract for a term that runs with each renewal term of the HAP contract, and remain in effect even in the case of abatement or termination of the HAP contract (for the term the HAP contract would have run, absent the abatement or termination).

Whereas, HUD has approved the conversion of the "Project" identified as Project Name, Project No. ###, and covering real property as described in Exhibit "A" attached hereto; and that this approval is evidenced by and through the terms of the RAD Conversion Commitment as described in Exhibit "B" attached hereto; and that was previously subject to:

- a. a public housing Declaration of Trust dated date here and recorded on date here in the Recorder's Office of Riverside County as document number document #; and such public housing Declaration of Trust was fully released on July ____, 2016 and recorded on July ____, 2016 in the Recorder's Office of Riverside County as document number _____; and
- b. a public housing Declaration of Trust dated date here and recorded on date here in the Recorder's Office of Riverside County as document number document #; and such public housing Declaration of Trust was fully released on July ____, 2016 and recorded on July ____, 2016 in the Recorder's Office of Riverside County as document number _____.

Whereas, pursuant to the Consolidated and Further Continuing Appropriations Act of 2012 (Public Law 112-55, approved November 18, 2011) and the corresponding PIH Notice 2012-32 published on July 26, 2012 (hereinafter called the "RAD Notice"), which this Use Agreement incorporates, in exchange for HUD's agreement to permit this conversion to PBVs or PBRA, the Owner has agreed to continue to operate the assisted PBV or PBRA units only as rental housing for the initial term, and each renewal term of the HAP Contract, unless otherwise approved by HUD;

Now Therefore, in consideration of the mutual promises set forth herein and of other valuable consideration, the parties hereby agree as follows:

1. **Definitions.** All terms used in this Agreement have the same meaning as set forth in the definitions in RAD Notice.
2. **Term.** The initial term shall be twenty (20) years. Unless otherwise approved by HUD, this Agreement shall remain in effect through the initial term, and for an additional period to coincide with any renewal term of the HAP Contract. This Agreement will survive HAP abatement or termination of the HAP Contract unless otherwise approved by HUD.
3. **Use Restriction and Tenant Incomes.** The HAP-assisted units within this Project shall be used solely as rental housing for tenants meeting the eligibility and income-targeting requirements under the HAP Contract. In the case that the HAP Contract is terminated (due to, e.g.: breach, or non-compliance), new tenants must have incomes at or below 80 percent of the average median income (AMI) at the time of admission for the remainder of the term of the Agreement, applicable to all units previously covered under the HAP contract. Additionally, rents must not exceed 30% of 80% of median income for an appropriate sized unit. Notwithstanding the foregoing, in the event the Owner is able to demonstrate to HUD's satisfaction that despite the Owner's good faith and diligent efforts to do so, the Owner is unable either (1) to rent a sufficient percentage of Units to Low

Income Tenants or Very Low Income Tenants in order to satisfy the restrictions in this paragraph, or (2) to otherwise provide for the financial viability of the Project, HUD may, in its sole discretion, agree to reduce the percentage of units subject to the restriction under this paragraph or otherwise modify this restriction in a manner acceptable to the Owner and HUD. Any such modification of the restrictions listed in this paragraph shall be evidenced by a written amendment to this Agreement executed by each of the parties hereto.

4. **Subordination.** Any mortgage liens will be subject to this Agreement. This Agreement will survive foreclosure and bankruptcy.
5. **Fair Housing and Civil Rights Requirements.** Compliance with all applicable fair housing and civil rights requirements including the obligation to affirmatively further fair housing and the site selection and neighborhood standards requirements set forth in 24 CFR §§ 1.4(b)(3) and 941.202, as applicable, is required.
6. **Federal Accessibility Requirements.** Compliance with all applicable federal accessibility requirements under the Fair Housing Act and implementing regulations at 24 CFR Part 100, Section 504 of the Rehabilitation Act of 1973 and implementing regulations at 24 CFR Part 8, and Titles II and III of the Americans with Disabilities Act and implementing regulations at 28 CFR Parts 35 and 36, respectively, is required.
7. **Transfer of the Agreement.** HUD has been granted and is possessed of an interest in the above described Project such that the Owner shall remain seized of the title to said Project and refrain from transferring, conveying, encumbering or permitting or suffering any transfer, conveyance, assignment, lease, mortgage, pledge or other encumbrance of said Project or any part thereof without the release of said covenants by HUD. The Owner has constituted HUD as its attorney-in-fact to transfer PBV or PBRA assistance to another entity in the event of default under the HAP Contract. With HUD approval, after 10 years from the effective date of the initial term of the HAP Contract, if the Project is economically non-viable or physically obsolete, assistance may be transferred subject to this Agreement. Any such new Owner shall assume the obligations under this Agreement as a condition of any transfer. This Agreement shall be binding upon the Owners and all future successors and assigns until released by HUD.
8. **Release.** The endorsement by a duly authorized officer of HUD (1) upon any conveyance or transfer made by the Owner of any

real or personal property which is determined to be excess to the needs of the Project, or (2) upon any instrument of conveyance or dedication of property, or any interest therein, for use as streets, alleys, or other public rights-of-way, or for the establishment, operation and maintenance of public utilities, or (3) upon any instrument transferring or conveying an interest therein, or (4) upon any instrument of release made by the Owner of the assisted PBV or PBRA units shall be effective to release such property from the restrictive covenants hereby created.

9. **Enforcement.** In the event of a breach or threatened breach of any of the provisions of this Agreement, any eligible tenant or applicant for occupancy within the Project, or the Secretary or his or her successors or delegates, may institute proper legal action to enforce performance of such provisions, to enjoin any acts in violation of such provisions, to recover whatever damages can be proven, and/or to obtain whatever other relief may be appropriate.
10. **Severability.** The invalidity, in whole or in part, of any of the provisions set forth in this Agreement shall not affect or invalidate any remaining provisions.
11. **Impairment of HAP Contract.** The terms and provisions of this Agreement shall continue in full force and effect except as expressly modified herein. Any conflicts between this Agreement and the HAP Contract shall be conclusively resolved by the Secretary.
12. **Execution of Other Agreements.** The Owner agrees that it has not and will not execute any other agreement with provisions contradictory of, or in opposition to, the provisions of this Agreement, and that in any event, the provisions of this Agreement are paramount and controlling as to the rights and obligations set forth and supersede any other conflicting requirements.
13. **Subsequent Statutory Amendments.** If revisions to the provisions of this Agreement are necessitated by subsequent statutory amendments, the Owner agrees to execute modifications to this Agreement that are needed to conform to the statutory amendments. In the alternative, at HUD's option, HUD may implement any such statutory amendment through rulemaking.
14. **No Negotiation.** This Agreement is not subject to negotiation by the Owner or any lender.

In Witness Whereof, HUD and the Owner thereunto duly authorized has caused these presents to be signed in its name and its corporate seal to be hereunto affixed and attested this _____ day of _____, 20_____ .

(Seal)

HUD Attest:

U.S. Department of Housing and Urban Development

By: _____

Name: _____

Title: _____

Date: _____

))
District of Columbia) ss:
)

Before me, _____, a Notary Public in said jurisdiction, on this _____ day of _____, 2016, personally appeared _____, who is personally well known to me to be the _____ of the Office of Recapitalization, of the United States Department of Housing and Urban Development, and the person who executed the foregoing instrument by virtue of the authority vested in her by, and I having first made known to her the contents thereof, she did acknowledge the signing thereof to be a free and voluntary act and done on behalf of the Secretary of the United States Department of Housing and Urban Development for the uses, purposes and considerations therein set forth.

Witness my hand and official seal this _____ day of _____, 2016

Notary Public

My commission expires: _____

Owner Attest:

Housing Authority of the County of Riverside

By: _____

Name: Robert Field

Title: Executive Director

Date: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
)
COUNTY OF _____)

On _____, before me, _____, Notary Public, personally appeared Robert Field, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify UNDER PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Name: _____
Notary Public

EXHIBIT A
Property Subject to this RAD Use Agreement

Insert legal description here.

Assessor's Parcel Number: ###-###-###

EXHIBIT B
RAD Conversion Commitment

ATTACHMENT D

Resolution No. 2016-005 Authorizing the Conversion of the Housing Authority of the County of Riverside's Public Housing Sites to Project Based Section 8 under the U.S. Department of Housing and Urban Development's Rental Assistance Demonstration Program and the Conveyance of Related Real Property to the Riverside Community Housing Corp

2
3 **RESOLUTION NO. 2016-005**

4 **AUTHORIZING THE CONVERSION OF THE HOUSING AUTHORITY OF THE**
5 **COUNTY OF RIVERSIDE'S PUBLIC HOUSING SITES TO PROJECT BASED**
6 **SECTION 8 UNDER THE U.S. DEPARTMENT OF HOUSING AND URBAN**
7 **DEVELOPMENT'S RENTAL ASSISTANCE DEMONSTRATION PROGRAM,**
8 **AUTHORIZING THE CONVEYANCE OF REAL PROPERTY, AND RELATED**
9 **ACTIVITIES**

10 **WHEREAS**, in May, 2015 the Housing Authority of the County of
11 Riverside ("Authority") was selected as a successful recipient of the U.S. Department of
12 Housing and Urban Development ("HUD") Rental Assistance Demonstration ("RAD")
13 Program to implement the conversion of all Authority Public Housing sites to long term,
14 Project Based Section 8 rental assisted properties;

15 **WHEREAS**, the Authority is of owner of certain real property identified as Assessor's
16 Parcel Numbers 179-140-011, 179-140-013, 179-140-015, 179-140-017, 181-081-00,
17 181-081-010, 181-081-011, 191-110-003, 247-111-018, 247-111-021, 247-111-022,
18 291-192-010, 291-192-011, 291-192-012, 291-192-013, 313-283-027, 313-283-028,
19 313-283-029, 313-283-030, 313-283-031, 313-283-032, 313-283-033, 313-283-034,
20 313-283-035, 313-283-036, 379-250-037, 379-250-038, 379-250-039, 379-250-040,
21 387-092-027, 387-092-028, 387-092-029, 387-092-030, 387-092-031, 387-092-032,
22 387-092-033, 418-150-011, 418-150-012, 418-150-014, 434-314-001, 434-314-002,
23 434-314-003, 479-210-008, 479-210-009, 482-080-033, 482-080-034, 541-121-042,
24 608-230-032, 644-230-005, 673-140-007, 727-130-017, 757-061-031, 757-061-032,
25 and 757-061-033 and all improvements and fixtures located thereon consisting of Four
26 Hundred and Sixty Nine (469) units of affordable housing all within the County of
27 Riverside, as more particularly described in Exhibit "A" attached hereto and
28 incorporated herein by this reference (collectively, the "Properties");

WHEREAS, the Properties are currently operated as public housing and, as

1 such, are encumbered by declarations of trust in favor of HUD ("Declarations");

2 **WHEREAS**, it is intended that the Properties will convert from public housing
3 units to Project-Based Section 8 Housing Units ("Section 8 Units") through HUD's RAD
4 Program and receive Project-Based Section 8 vouchers for all Four Hundred and Sixty
5 Nine (469) units through a Housing Assistance Payment Contract with the Authority
6 ("HAP Contract");

7 **WHEREAS**, HUD approved the Authority's request for conversion to PBV
8 contracts under RAD;

9 **WHEREAS**, the Authority's participation in RAD as the administrator of PBV
10 Section 8 rental assistance contracts requires that title to the Properties be transferred
11 to an eligible recipient entity;

12 **WHEREAS**, the Riverside Community Housing Corporation ("Corporation"), a
13 California nonprofit public benefit corporation controlled by the Authority, is a qualified
14 recipient of the Properties under RAD;

15 **WHEREAS**, the Authority desires to convey the Properties to the Corporation
16 under RAD for \$1;

17 **WHEREAS**, no current tenants of the Properties will have to move due to RAD
18 conversion and there were no tenant objections to the conversion;

19 **WHEREAS**, the Authority deems it to be in the best interest of the Authority for
20 the Authority to execute grant deeds, and ancillary documents, including, but not
21 limited to a preliminary change of ownership report, closing statements, escrow
22 instructions, and any and all other documents and certifications necessary to convey
23 the Properties to the Corporation ("Acquisition Documents");

24 **WHEREAS**, as a condition of participation in the RAD Program, HUD will require
25 that Use Agreements restricting the use of the Properties be executed by the
26 Corporation and recorded against the Properties ("Use Agreement") and that the
27 Corporation execute a RAD Conversion Commitment and any amendments thereto
28 ("RCC"), and other RAD Program documents;

1 **WHEREAS**, the Authority deems it to be in the best interest of the Authority for
2 the Authority to enter into any and all documents, including, but not limited to,
3 the Use Agreement, the RCC and the RAD HAP Contract, and execute any
4 certifications required by HUD in order to facilitate the conversion of the public housing
5 units to Section 8 Units (collectively, the "RAD Documents");

6 **WHEREAS**, upon conversion of the Properties from public housing to Section 8,
7 HUD will release the Declarations as encumbrances against the Properties;

8 **WHEREAS**, the Authority is expected to expend approximately fifty-five
9 thousand dollars (\$55,000) for transaction costs including outside attorney fees,
10 property inspection fees and Tenmast conversion costs; and

11 **WHEREAS**, timing requirements for completing the RAD conversion and
12 conveyance of the Properties to the Corporation require that the Authority Executive
13 Director, or designee, have the ability to negotiate the final terms of all of the above-
14 referenced documents and any other necessary project documents in the best interests
15 of the Authority.

16
17 **NOW THEREFORE, BE IT RESOLVED, FOUND, DETERMINED AND ORDERED**
18 by the Board of Commissioners in regular session assembled on June 7, 2016, as
19 follows:

- 20 1. That the Board of Commissioners hereby finds and declares that the
21 above recitals are true and correct.
- 22 2. That the Board of Commissioners hereby authorizes the Housing
23 Authority to convey to the Riverside Community Housing Corp. that
24 certain real property located in Riverside County, identified as
25 Assessor's Parcel Numbers 179-140-011, 179-140-013, 179-140-015,
26 179-140-017, 181-081-00, 181-081-010, 181-081-011, 191-110-003,
27 247-111-018, 247-111-021, 247-111-022, 291-192-010, 291-192-011,
28 291-192-012, 291-192-013, 313-283-027, 313-283-028, 313-283-029,

1 313-283-030, 313-283-031, 313-283-032, 313-283-033, 313-283-034,
2 313-283-035, 313-283-036, 379-250-037, 379-250-038, 379-250-039,
3 379-250-040, 387-092-027, 387-092-028, 387-092-029, 387-092-030,
4 387-092-031, 387-092-032, 387-092-033, 418-150-011, 418-150-012,
5 418-150-014, 434-314-001, 434-314-002, 434-314-003, 479-210-008,
6 479-210-009, 482-080-033, 482-080-034, 541-121-042, 608-230-032,
7 644-230-005, 673-140-007, 727-130-017, 757-061-031, 757-061-032,
8 and 757-061-033 and all improvements and fixtures located thereon
9 consisting of Four Hundred and Sixty Nine (469) units of affordable
10 housing all within the County of Riverside, as more particularly described
11 in Exhibit "A" attached hereto and incorporated herein by this reference,
12 for a total purchase price of One Dollar (\$1), under HUD's Rental
13 Assistance Demonstration program.

14 **3.** That the Board of Commissioners hereby authorizes the Housing
15 Authority to enter into the RAD Documents.

16 **4.** That the Board of Commissioners hereby authorize and direct the
17 Housing Authority Executive Director, or designee, acting on behalf of
18 the Authority, to negotiate, finalize and execute, with the approval of
19 County Counsel and special counsel to the Authority, as applicable, any
20 and all necessary documents, agreements and certificates, including but
21 not limited to, the Acquisition Documents, the RAD Documents, and any
22 and all other documents necessary to have the Authority convey the fee
23 interest in the Properties to the Corporation, and convert the Properties
24 under the RAD Program, and is further authorized to take any and all
25 other actions contemplated by this Resolution or necessary to complete
26 the RAD conversion of the Properties and the transactions described
27 herein.
28

1 BE IT FURTHER RESOLVED: That to the extent that any actions authorized herein
2 have already been performed, such actions are ratified and approved.

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Exhibit A
Legal Descriptions
(Behind this page)