

**SUBMITTAL TO THE RIVERSIDE COMMUNITY HOUSING CORP.
BOARD OF DIRECTORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



817

FROM: Riverside Community Housing Corp.

SUBMITTAL DATE:
May 25, 2016

SUBJECT: Adopt Resolution No. 2016-001 Authorizing the Acquisition from the Housing Authority of the County of Riverside of Public Housing Projects Under the U.S. Department of Housing and Urban Development's Rental Assistance Demonstration Program, and approval of the Second Amended and Restated Bylaws, All Districts [\$14,676] 100% Housing Authority Working Capital; Project is CEQA Exempt

RECOMMENDED MOTION: That the Board of Directors:

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. Adopt Resolution No. 2016-001 Authorizing the Acquisition from the Housing Authority of the County of Riverside of Public Housing Projects Under the U.S. Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) Program for the Sum of \$1, and Related Activities;

(Continued)

Robert Field
Chief Executive Officer

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 14,676	\$	\$ 14,676	\$	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$	\$	\$	\$	
SOURCE OF FUNDS: Housing Authority Working Capital 100%				Budget Adjustment: No	
				For Fiscal Year: 2015/2016,	

C.E.O. RECOMMENDATION:

APPROVE

BY:
Rohini Dasika

County Executive Office Signature

MINUTES OF THE RIVERSIDE COMMUNITY HOUSING CORP. BOARD OF DIRECTORS

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

Prev. Agn. Ref.: 10-1 of 9/23/14 | **District:** All | **Agenda Number:**

14-1

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

FISCAL PROCEDURES APPROVED
PAUL ANGLUO, CPA, AUDITOR-CONTROLLER
BY: 5/24/16
Esteban Hernandez

Departmental Concurrence

**SUBMITTAL TO THE RIVERSIDE COMMUNITY HOUSING CORP. BOARD OF DIRECTORS,
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FORM 11: Adopt Resolution No. 2016-001 Authorizing the Acquisition from the Housing Authority of the County of Riverside of Public Housing Projects Under the U.S. Department of Housing and Urban Development's Rental Assistance Demonstration Program, and approval of the Second Amended and Restated Bylaws, All Districts [\$14,676] 100% Housing Authority Working Capital; Project is CEQA Exempt

DATE: May 25, 2016

PAGE: 2 of 5

RECOMMENDED MOTION: (Continued)

3. Approve the attached form of the Use Agreement and authorize the Chief Executive Officer to execute Use Agreements conforming to the attached form;
4. Approve the attached Second Amended and Restated Bylaws (Bylaws), and authorize the Chief Executive Officer to make additional changes to the Bylaws as requested by HUD to implement the RAD conversion, subject to approval by General Counsel; and
5. Authorize the Chief Executive Officer, or designee, to take all necessary steps to complete and implement Resolution No. 2016-001 and the acquisition of the Authority's real property on behalf of RCHC, 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, certificates of acceptance, Use Agreements, releases, leases, and housing assistance payment contracts, subject to approval by General Counsel.

BACKGROUND:

Summary

Rental Assistance Demonstration Program

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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PAGE: 3 of 5

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). 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.

Changes to Bylaws

Pursuant to RAD requirements set forth by HUD, RCHC's Bylaws must include language acknowledging control by the Authority over projects receiving assistance under RAD. This language includes references to Rental Assistance Demonstration Use Agreements, Housing Assistance Payment Contracts and Property Management Agreements relative to each of the 19 sites which are proposed to be transferred to RCHC by the Authority under RAD. In order to satisfy these requirements, RCHC's Bylaws must be amended. Proposed Second Amended and Restated Bylaws (Bylaws), are attached hereto as Attachment D, and incorporate the HUD-required language in amended Article 14.

In addition to this HUD-required amendment, staff also recommends changing one of the two regular meeting dates stipulated in Section 7.7.2 of the original Bylaws. Currently, a regular meeting is required during March or April of each year. The primary purpose for such meeting is for the Board to approve the upcoming fiscal year's budget. During the most recent two fiscal years, staff have been unable to compile the financial data necessary to propose a budget in time for a March meeting and encountered difficulty doing so for the April meeting date.

(Continued)

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PAGE: 4 of 5

BACKGROUND: (Continued)

Summary

This is primarily due to the timing of grant proposals for the upcoming fiscal year and availability of financial data from the current fiscal year. A meeting date closer to the end of the current fiscal year would better enable staff to obtain the financial data necessary to compile the upcoming fiscal year's budget.

California Environmental Quality Act (CEQA) Findings

Pursuant to the California Environmental Quality Act (CEQA), the Use Agreement, Bylaws, and Resolution No. 2016-001 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; (ii) an amendment to the existing Bylaws which set forth the rules by which RCHC shall be governed, and (iii) Resolution No. 2016-001, authorizing the acquisition of the existing Properties from the Authority and implementation of the RAD conversion as required by HUD (Project). The Use Agreement, Bylaws and Resolution No. 2016-001 are administrative in nature and will have purely financial effects. The acquisition 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. Further, the acquisition 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 RCHC staff with the County Clerk upon approval of the Bylaws, Use Agreement and Resolution No. 2016-001.

In order to complete the RAD conversion and acquisition of the Properties as proposed herein, staff recommends that the Board of Directors adopt Resolution No. 2016-001 Authorizing the Acquisition from the Housing Authority of the County of Riverside of its Public Housing Projects Under the U.S. Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD) Program for the Sum of \$1, and Related Activities, authorize the Chief Executive Officer to execute all required acquisition and RAD documents and complete and implement the RAD conversion, and approve the proposed form of Use Agreement and amended Bylaws. The attached form of Use Agreement, Bylaws, and Resolution No. 2016-001 have been approved as to form by General 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 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.

SUPPLEMENTAL:

Additional Fiscal Information

There is no impact upon the County's General Fund. No budget adjustment is necessary.

(Continued)

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DATE: May 25, 2016

PAGE: 5 of 5

SUPPLEMENTAL: (Continued)
Additional Fiscal Information

Estimated transaction costs are itemized as follows:

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. Second Amended and Restated Bylaws
- E. Resolution No. 2016-001

ATTACHMENT A
RAD Properties Overview

RAD Properties Overview

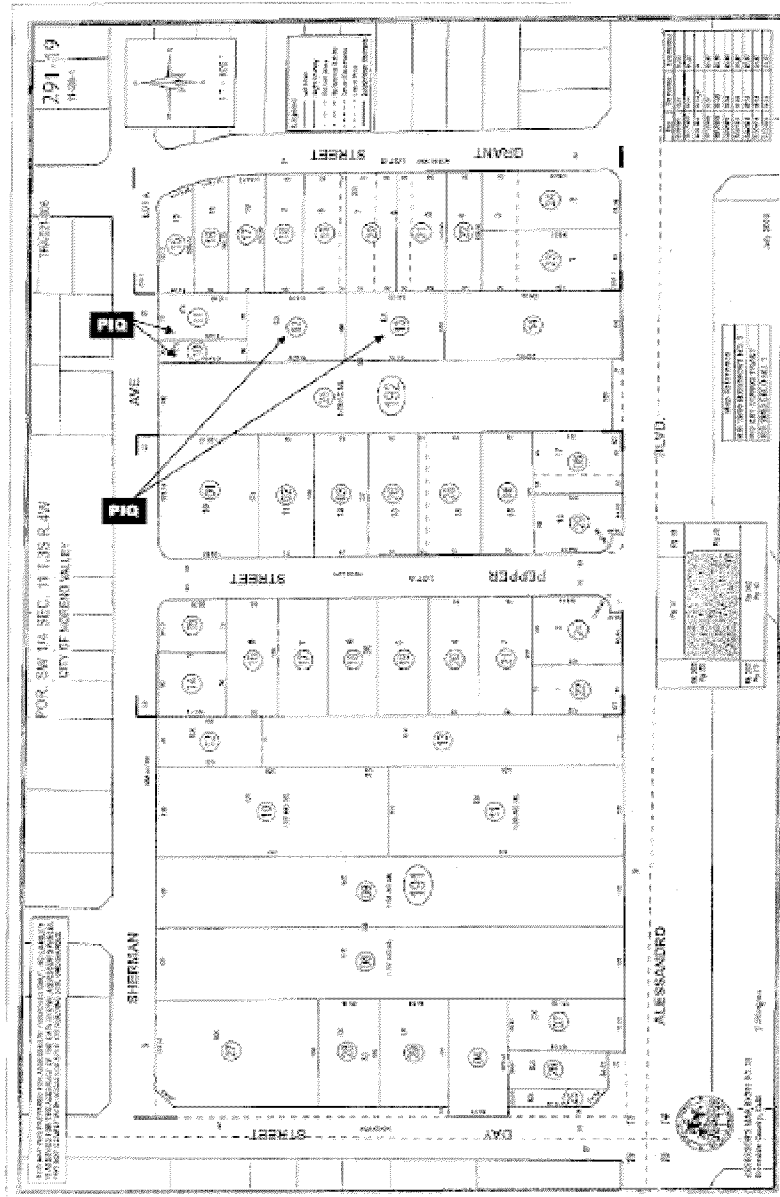
Name	APN	Address	Number of Units
Rubidoux Village Townhomes	179-140-011	5571, 5577, 5581, 5587, 5591, 5595, and 5597 34th Street Riverside, CA 92509	29
	179-140-013		
	179-140-015		
	179-140-017		
El Dorado Gardens	191-110-003	4675 Jackson St. Riverside, CA 92503	68
Gloria Crossing Apartments	479-210-008	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		
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

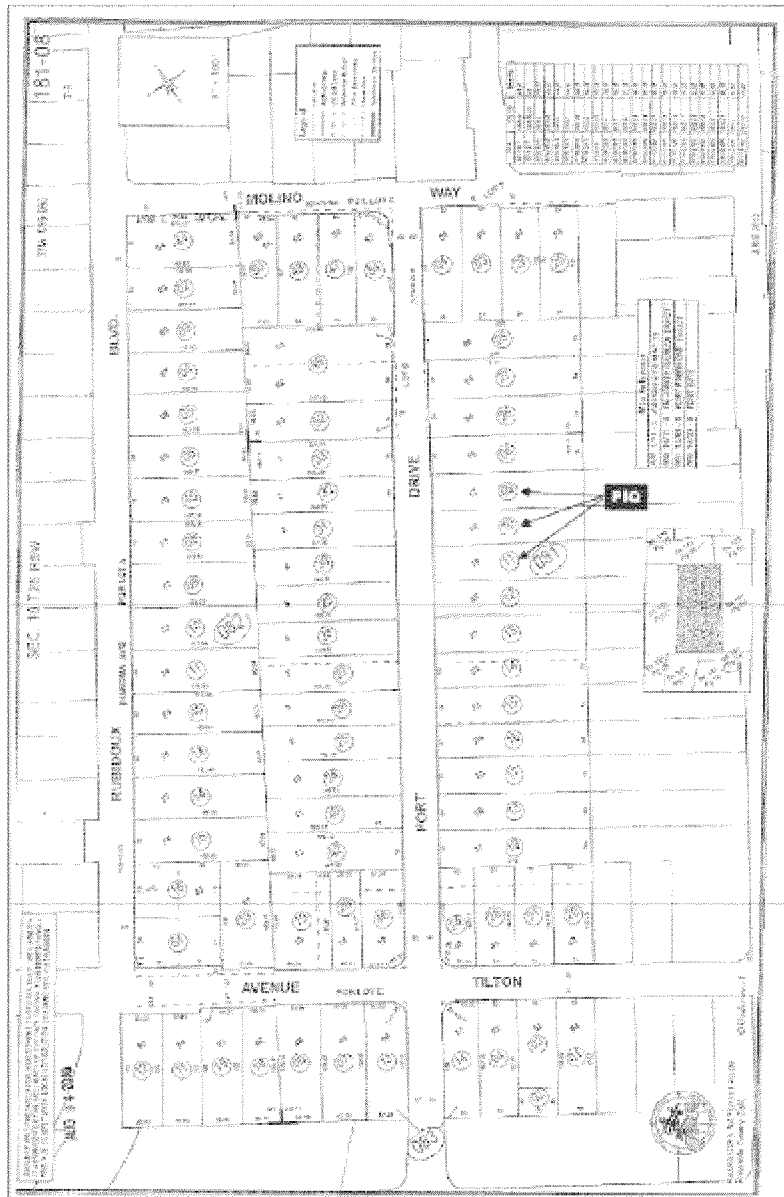
469
Total

ATTACHMENT B
Site Maps

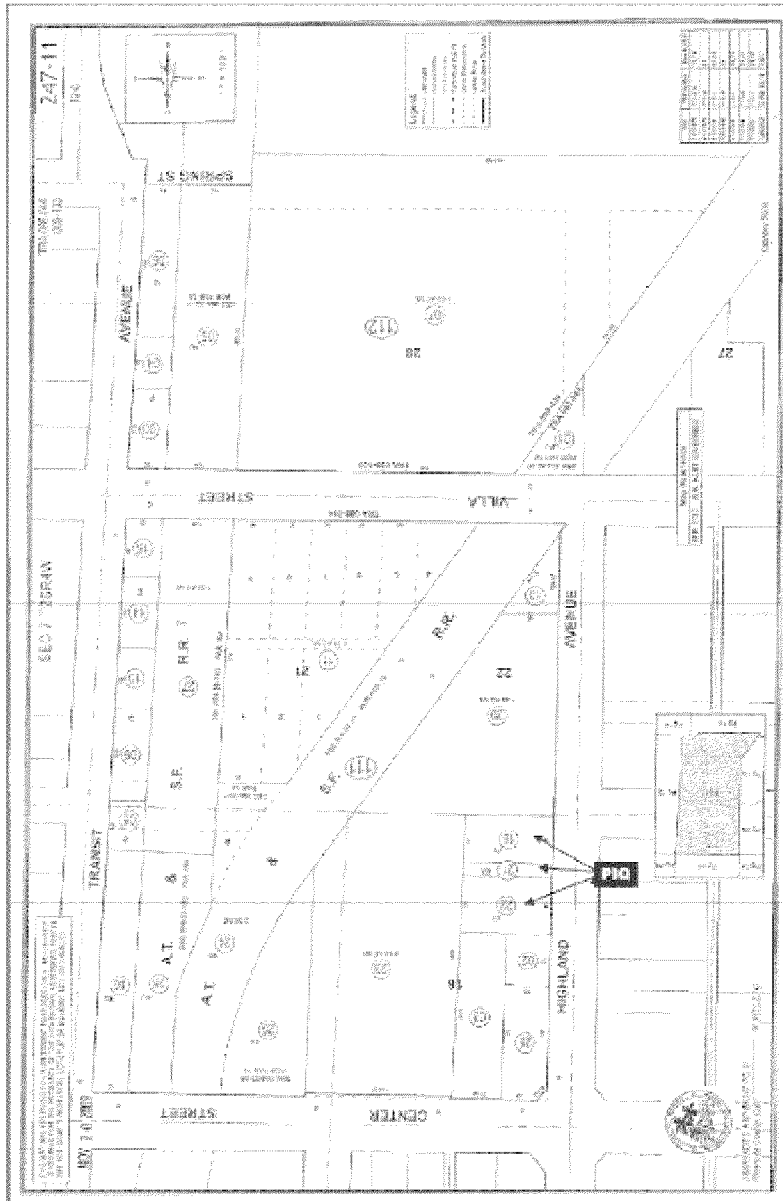
Sherman Apartments



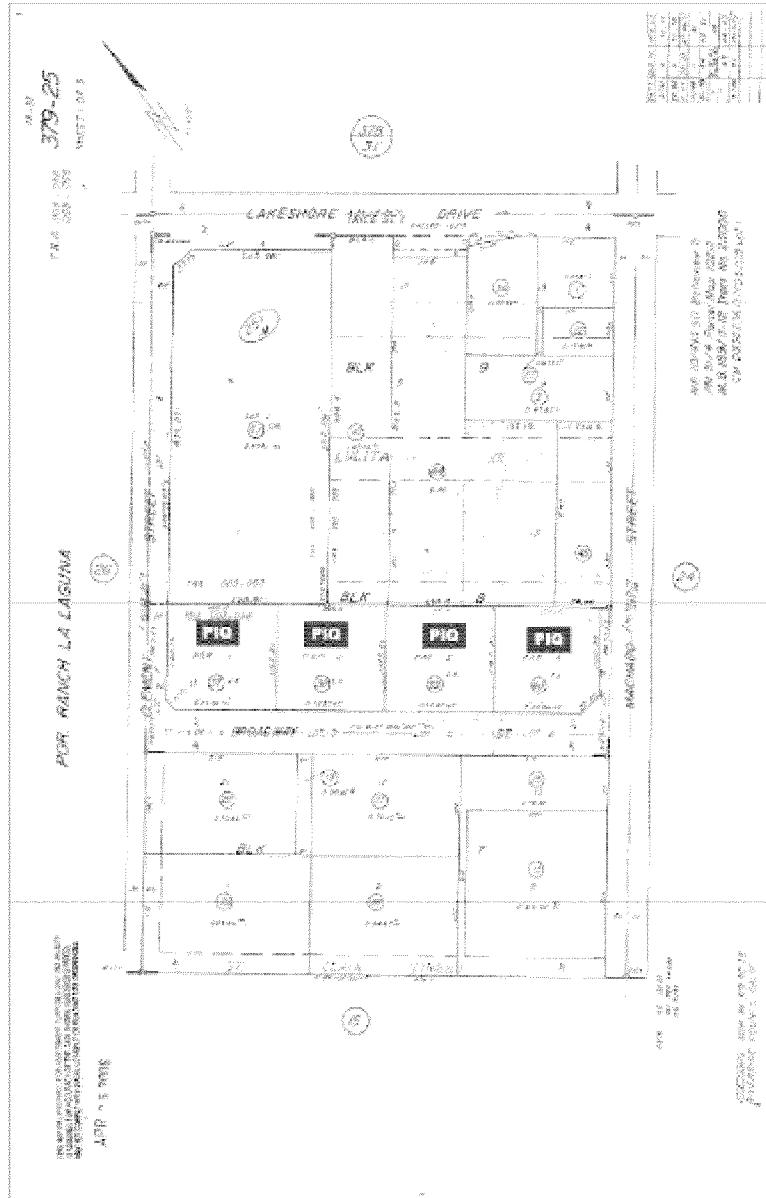
Fort Drive Apartments



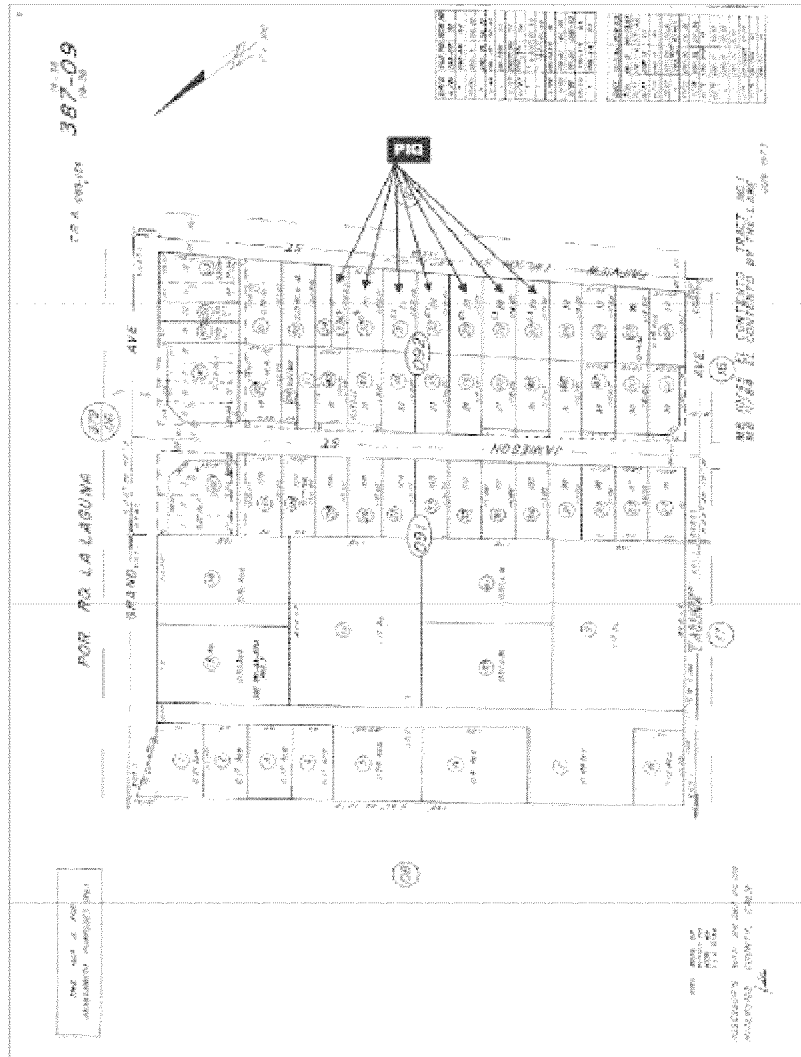
Highland Park Place Apartments



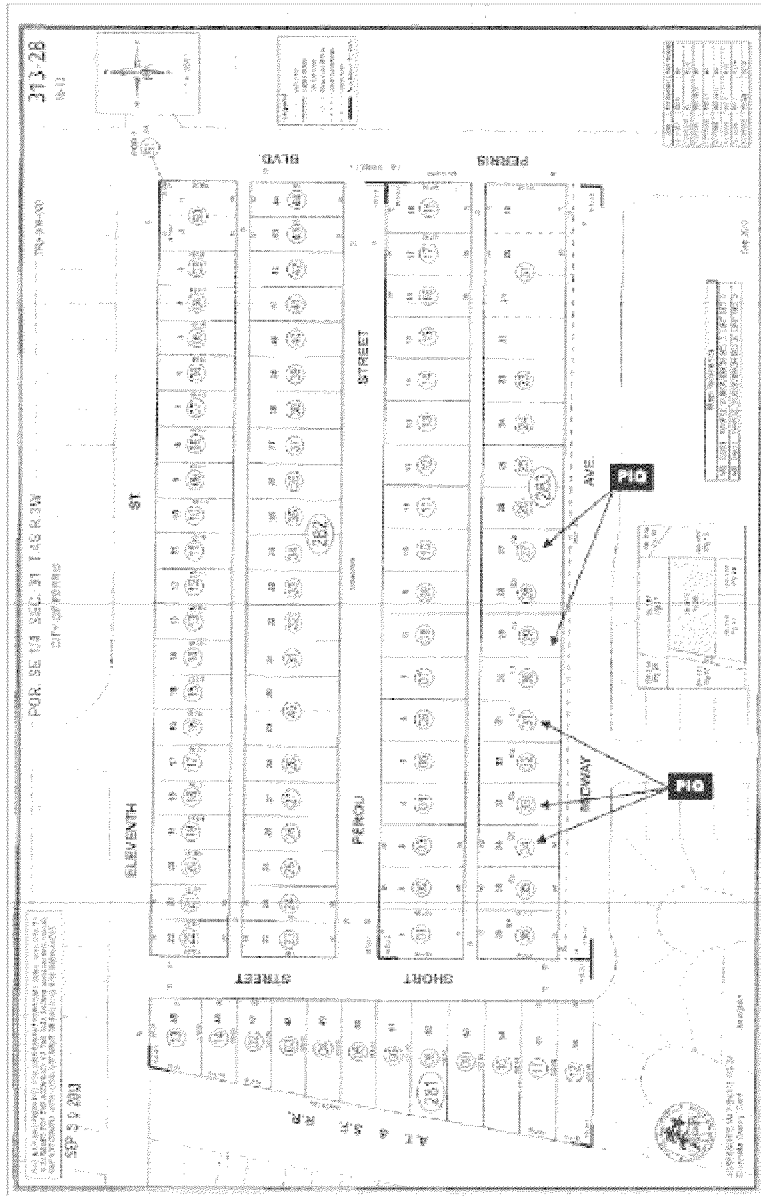
Broadway Manor Townhomes



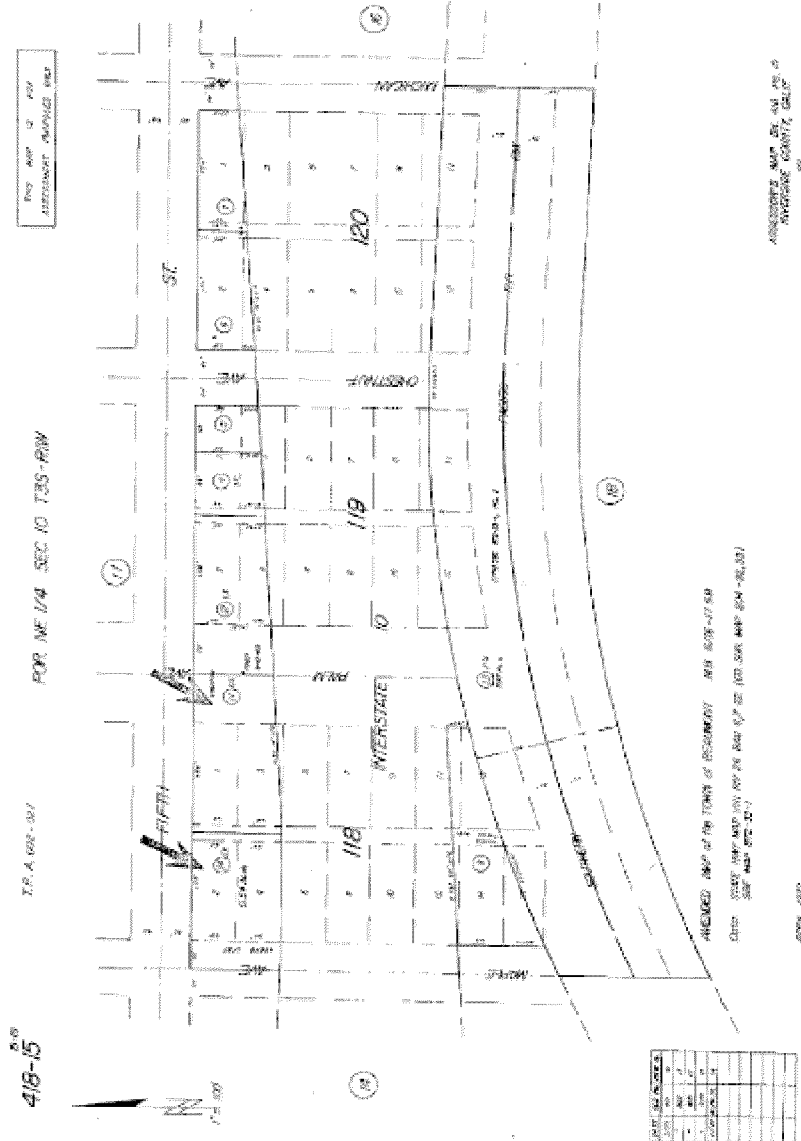
Fairview Lake Townhomes



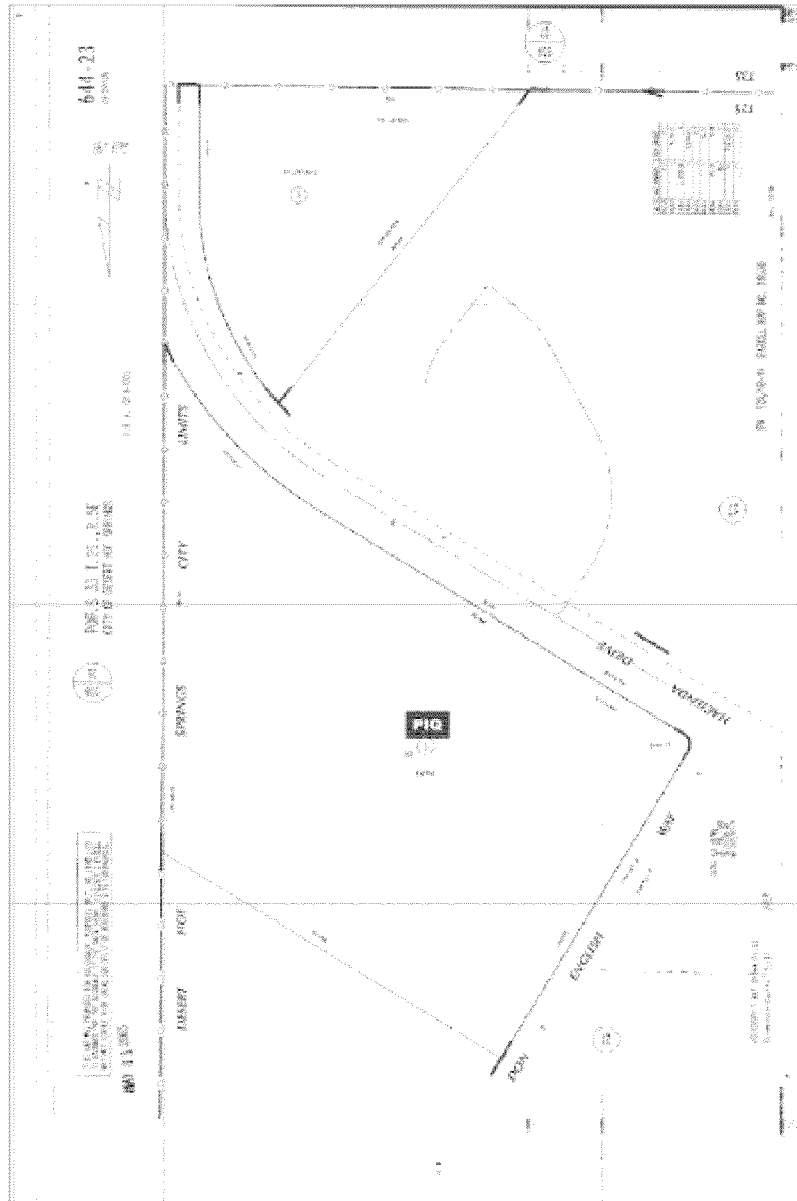
Midway Capri Apartments



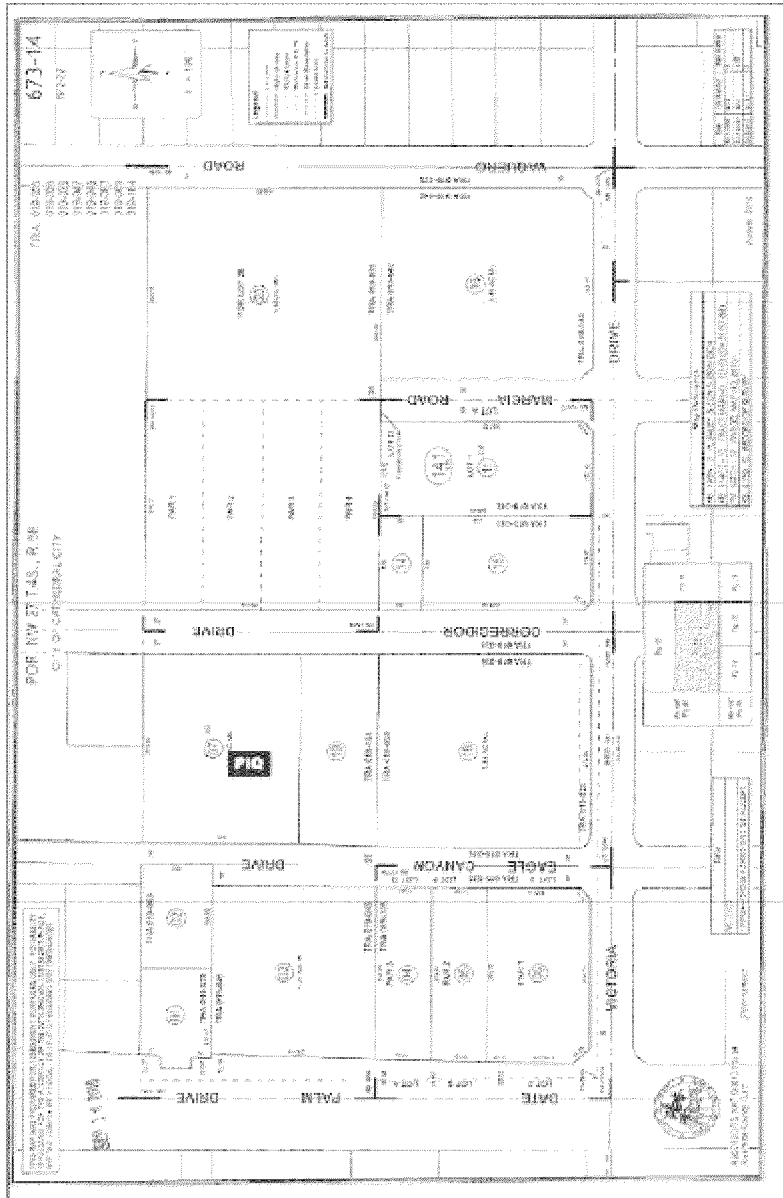
Beaumont Grove Apartments



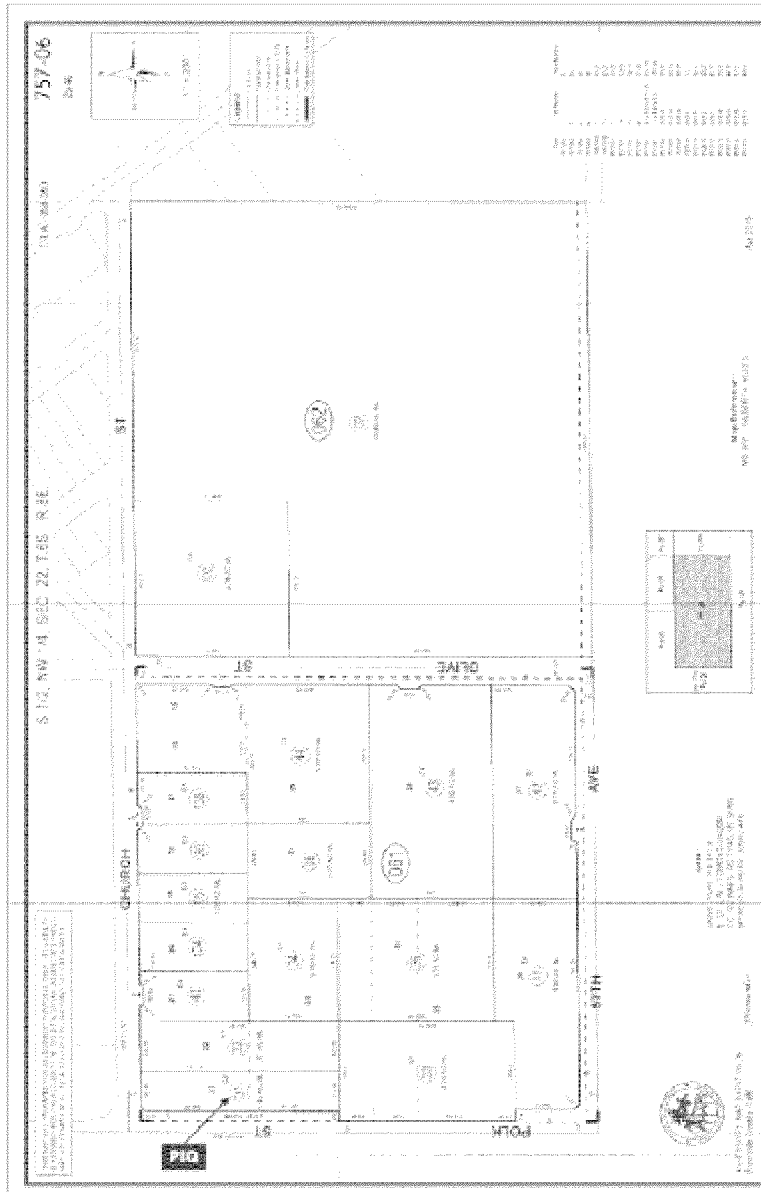
Quinto Del Sol Apartments



Corregidor Manor



Thermal I 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.

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
Second Amended and Restated Bylaws

**SECOND AMENDED AND RESTATED
BYLAWS OF
RIVERSIDE COMMUNITY HOUSING CORP.**
A California Nonprofit Public Benefit Corporation
Last Revised June 7, 2016

ARTICLE 1 **NAME**
Section 1.1 Corporate Name
The official name of this corporation is Riverside Community Housing Corp. (“Corporation”).

ARTICLE 2 **OFFICES**
Section 2.1 Principal Office
The principal office for the transaction of the activities and affairs of the Corporation is located at 5555 Arlington Avenue in Riverside, California. The location of the principal office may be changed by resolution of the Board of Directors (“Board”) from one location to another within the County of Riverside.

Section 2.2 Other Offices
The Board may, at any time, establish branch or subordinate offices at any place or places where the Corporation is qualified to conduct its activities.

ARTICLE 3 **PURPOSES**
Section 3.1 General Purpose
This corporation is a Nonprofit Public Benefit Corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public and charitable purposes.

Section 3.2 Specific Purpose
The specific purpose of this Corporation is to engage in financing, acquiring, developing, rehabilitating, owning, managing, and selling affordable housing for extremely low, low and moderate income persons in various developments or otherwise within the County of Riverside, State of California, as a means of promoting the common good and general welfare of the people of the State of California. Further, the Corporation shall augment low and moderate income resident services and housing programs sponsored by the Housing Authority of the County of Riverside (“Housing Authority”) and/or the County of Riverside Economic Development Agency.

ARTICLE 4 **LIMITATIONS**
Section 4.1 Political Activities

The Corporation has been formed under the Nonprofit Corporation Law of California (“California Nonprofit Corporation Law”) and is organized and operated exclusively for charitable purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended (“Internal Revenue Code”). The Corporation shall be nonprofit and non-partisan. No substantial part of the activities of the Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in any political campaign (including the publishing or distribution of statements) on behalf of, or in opposition to, any candidate for public office.

Section 4.2

Prohibited Activities

The Corporation shall not, except in any insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described in Article 3. The Corporation may not carry on any activity for the profit of its Officers, Directors or other persons or distribute any gains, profits or dividends to its Officers, Directors or other person as such. Furthermore, nothing in Article 3 shall be construed as allowing the Corporation to engage in any activity not permitted to be carried on:

1. By a corporation exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code.
2. By a corporation, contributions to which are deductible under Section 170 (c) (2) of the Internal Revenue Code.

ARTICLE 5

DEDICATION OF ASSETS

Section 5.1

Property Dedicated to Nonprofit Purposes

The property of the Corporation is irrevocably dedicated to charitable purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code. No part of the net income or assets of the Corporation shall ever inure to the benefit of any of its Directors or Officers or to the benefit of any private person, except that the Corporation is authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 3 hereof.

Section 5.2

Distribution of Assets upon Dissolution

Upon the dissolution or winding up of the Corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of the Corporation shall be distributed to the Housing Authority and shall be operated exclusively for charitable purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code.

ARTICLE 6

MEMBERSHIPS

Section 6.1

Members

This Corporation shall have no members within the meaning of Section 5056 of the California Nonprofit Corporation Law. Any action of this Corporation which would otherwise require approval by a majority of members or approval by the members shall require only approval of the Board, any provision of the Bylaws to the contrary notwithstanding. All rights that would otherwise vest in the members shall vest in the Board.

ARTICLE 7

DIRECTORS

Section 7.1

Corporate Powers Exercised by the Board

Subject to the provisions and limitations of the California Nonprofit Corporation Law and all other applicable laws, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board.

Without prejudice to the general powers set forth in these Bylaws but subject to the same limitation, the Directors shall have the power to:

1. Appoint and remove, at the pleasure of the Board , all the Corporation's Officers, agents, employees and volunteers; prescribe powers and duties for them that are consistent with law, with the Articles of Incorporation, and with these Bylaws; fix their compensation, if any; and require from them security for faithful performance of their duties.
2. Change the principal office or the principal business office from one location to another in the County of Riverside; and designate any place within the County of Riverside for holding any meeting.
3. Adopt and use a corporate seal and alter the forms of the seal from time to time as the Board may deem appropriate.
4. Enter into such contracts, ventures, associations or other arrangements as may be necessary or convenient to carry out the purposes of the Corporation.
5. Borrow money and incur indebtedness on behalf of the Corporation and cause to be executed and delivered for the Corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.
6. Receive, hold, invest, donate, transfer and administer real and personal property for the benefit of the Corporation and its purposes to the extent consistent with Section 501(c) (3) of the Internal Revenue Code and Section 509(a) (2) of the Internal Revenue Code.

7. Undertake all activities lawfully open to nonprofit corporations organized under the California Nonprofit Corporation Law, subject to any restrictions or conditions stated elsewhere in these Bylaws, to the extent such activities may be conducted by organizations organized and operated exclusively for charitable purposes as described in Section 501(c)(3) of the Internal Revenue Code.
8. Do everything necessary, proper, advisable and convenient for the accomplishment of the purposes set forth above, and to do all other things incidental thereto or connected therewith which are not forbidden by the Internal Revenue Code, the Corporations Code, the Articles of Incorporation, these Bylaws or any other applicable law or regulation.

The Board may delegate the management of the activities of the Corporation to any person or persons, management company or committee however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

Section 7.2 Number and Qualification of Directors

The authorized number of Directors shall be not less than five (5) or more than seven (7). The Board of Commissioners of the Housing Authority shall be the Board of Directors of the Corporation.

Section 7.3 Election, Designation and Term of Office

All Directors' terms shall be concurrent with their term as Commissioner on the Board of Commissioners of the Housing Authority.

Section 7.4 Vacancies on Board

A vacancy or vacancies on the Board shall be filled in the same manner and process as such vacancies are filled for the Board of Commissioners of the Housing Authority.

Section 7.5 Removal

Removal of a Director from the Board shall be conducted in the same manner and process as such action is conducted for the Board of Commissioners of the Housing Authority.

Section 7.6 Reduction of Number of Directors

No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires unless the reduction also provides for the removal of that specified Director in accordance with these Bylaws and California Nonprofit Corporation Law.

Section 7.7 Meetings

- 7.7.1 Place of Meeting
The Board shall hold meetings at any place within Riverside County, California that has been designated by resolution of the Board or in the Notice of the Meeting or, if not so designated, at the Riverside County Administrative Center, 4080 Lemon Street, 1st Floor, Riverside, California. The Corporation may hold its meetings at such other locations as the Corporation may from time to time designate by resolution, in the order of adjournment, or notice of call of any special meeting. Meetings of the Board of Directors shall be in the manner provided in the Ralph M. Brown Act (Government Code Section 54940, et seq., as such sections now exist or may be hereafter amended; “Brown Act”).
- 7.7.2 Regular meetings
The Board shall hold regular meetings semi-annually on a date and at a time specified by the Board in the manner provided in the Brown Act. One such meeting shall occur during the month of May or June of each year and another such meeting shall occur during the month of September or October of each year.
- 7.7.3 Special Meetings
Special Meetings of the Board for any purpose may be called at any time by the Chairperson of the Board, or by a majority of the members of the Board in the manner provided for in the Brown Act.
- 7.7.4 Meetings to be Open and Public
All of the Corporation’s Board meetings, defined as any congregation of a majority of the Board members to hear, discuss, deliberate, or take action on any item concerning the Corporation, shall be open to the public and noticed to the extent required by law, including but not limited to, the provisions of the Brown Act.
- 7.7.5 Closed Session
Nothing contained in these Bylaws shall be construed to prevent the Board from holding closed sessions during a regular or special meeting concerning any matter permitted by law to be considered in a closed session. All closed session meetings and notice thereof shall be conducted in the manner provided for in the Brown Act.
- 7.7.6 Emergency Meetings
Nothing contained in these Bylaws shall be construed to prevent the Board from holding an emergency meeting when prompt action is needed due to the actual or threatened disruption of public facilities. An emergency situation exists if the Board determines that a work stoppage, crippling disaster, or other activity may endanger public health, safety or both. All emergency meetings and notice thereof shall be conducted in the manner provided for in the Brown Act.

7.7.7 Public Hearings

All public hearings held by the Board shall be held during regular or special meetings of the Corporation.

7.7.8 Order of Business

The Board may establish the general order of business at Board meetings. At any meeting, the Board may, by vote of a majority of the Board members present, change the order of business.

7.7.9 Agenda

An agenda for the Board meetings must be posted at least 72 hours before a regular meeting in a location freely accessible to members of the public, in accordance with the Brown Act. It shall state the meeting time and place and must contain a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session.

Section 7.8

Quorum

A majority of the Directors currently in office shall constitute a quorum for the transaction of business at any meeting of the Board, except to adjourn, unless the presence of a greater number is required by law, in which event the quorum shall be such number as the law requires. Every action taken or decision made by a majority of Directors present at a duly held meeting at which a quorum is present shall be the act of the Board, subject to the more stringent provisions of California Nonprofit Corporation Law, including, without limitation those provisions related to:

1. Approval of contract or transactions in which a Director has a direct or indirect material financial interest;
2. Approval of certain transactions between corporations having common directorships;
3. Creation of an appointment to Committees of the Board; and
4. Indemnification of Directors.

A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of Directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

Section 7.9

Adjournment

A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. In adjourning any meeting,

there shall be compliance with all procedures of the Brown Act, including, but not limited to, providing notice of the adjournment by posting a copy of the order of adjournment at or near the door of the place where the meeting was held, within 24 hours after the adjournment.

Section 7.10 Compensation and Reimbursement

Directors and members of such standing committees as are created may receive such compensation, if any, whether serving as Directors or Officers, and such reimbursement of expenses, as the Board may determine by resolution to be just and reasonable as to the Corporation at the time that the resolution is adopted so long as it is consistent with federal, state and local law.

ARTICLE 8 **COMMITTEES**

Section 8.1 Committees of the Board

The Board may, by resolution adopted by a majority of the Directors then in office, provided a quorum is present, create one or more Committee(s) of the Board, each consisting of two or more Directors to serve at the pleasure of the Board.

Section 8.2 Composition of Committees of the Board

Only Directors may be appointed to the Committee(s) of the Board. Appointments to the Committee(s) of the Board shall be by majority vote of the Directors currently in office. The Board may appoint one or more Directors as alternate members of any such Committee(s), who may replace any absent member at any meeting.

Section 8.3 Powers Exercised by Committees of the Board

Any such Committee(s), to the extent provided in the Board resolution, shall have all the authority of the Board, except that no Committee(s) of the Board, regardless of Board resolution, may:

1. Fill vacancies on the Board or on any Committee(s) of the Board that has the authority of the Board;
2. Fix compensation of the Directors for serving on the Board or on any Committee(s) of the Board;
3. Amend or repeal Bylaws or adopt new Bylaws;
4. Amend or repeal any resolution of the Board that by its expressed terms is not so amendable or repealable;
5. Create any other Committees of the Board or appoint the members of Committees of the Board;

6. Approve any contract or any transaction
 - a) between the Corporation and one or more of its Directors; or
 - b) to which the Corporation is a party and in which one or more of its Directors has a material financial interest, except as special approval is provided for in Section 5233 (d) (3) of the Corporations Code.

Section 8.4 Meetings and Action of Committees

Meetings and actions of Committee(s) of the Board shall be governed by, held, and taken in accordance with the provisions of these Bylaws concerning meetings and other Board actions, except that the time for regular meetings of such Committee(s) and the calling of special meetings of such Committee(s) may be determined either by Board resolution or, if there is none, by resolution of the Committee(s) of the Board. Minutes of each meeting of any Committee(s) of the Board shall be kept and shall be filed with the corporate records. The Board may adopt rules for the government of any such Committee(s), provided they are consistent with these Bylaws or, in the absence of rules adopted by the Board, the Committee(s) may adopt such rules.

Section 8.5 Advisory Committees

If the Board shall appoint any Committee(s) which has as a member any non-Director, it is not a “Committee of the Board”, and it should be clearly labeled an “Advisory Committee”. All actions and recommendations of an Advisory Committee shall require ratification by the Board before being given effect. The Board may not delegate any element of management of the Corporation’s activities to an Advisory Committee.

ARTICLE 9 OFFICERS

Section 9.1 Officers of the Corporation

The officers of the Corporation (“Officers”) shall be a Chairperson, a Vice Chairperson, a Chief Executive Officer, Chief Operating Officer, a Secretary and a Chief Financial Officer. The Board shall have the power to appoint, and may authorize an Officer to appoint, additional Officers with such duties, powers, titles and privileges as the Board may fix. Any number of offices may be held by the same person, except that the Secretary and the Chief Financial Officer may not serve concurrently as the Chairperson.

Section 9.2 Election, Designation and Term of Office

The Chairperson of the Board of Commissioners of the Housing Authority shall serve as the Chairperson of the Board of Directors of the Corporation. The Vice Chairperson of the Board of Commissioners of the Housing Authority shall serve as the Vice Chairperson of the Board of Directors of the

Corporation. The Executive Director of the Housing Authority shall serve as the Chief Executive Officer of the Corporation. The Deputy Executive Director of the Housing Authority shall serve as the Chief Operating Officer. The Deputy Director of the Housing Authority shall serve as the Secretary of the Corporation. The Fiscal Manager of the Housing Authority shall serve as the Chief Financial Officer of the Corporation. All Officers' terms shall be concurrent with their corresponding terms with the Housing Authority.

Section 9.3 Vacancies

A vacancy in any office shall be filled in the manner prescribed in these Bylaws for regular appointments to that office, provided that such vacancies shall be filled as they occur.

Section 9.4 Removal

Subject to the rights, if any, of an Officer under any contract of employment, any Officer may be removed concurrent with their removal by the Housing Authority from their corresponding position at the Housing Authority.

Section 9.5 Responsibilities of Officers

9.5.1 Responsibilities of Chairperson of the Board

The Chairperson of the Board shall be a Director, shall preside at meetings of the Board and shall exercise and perform such other powers and duties as the Board may assign from time to time. The Chairperson shall sign contracts, deeds and other instruments made by the Corporation and authorized by the Board.

9.5.2 Responsibilities of the Vice Chairperson of the Board

The Vice Chairperson of the Board shall be a Director and shall perform the duties of the Chairperson in the absence of the Chairperson.

9.5.3 Responsibilities of the Chief Executive Officer

The Chief Executive Officer shall be the general manager of the Corporation and, subject to the control of the Board, shall have general supervision over the administration of the Corporation's business and operations. The Chief Executive Officer shall be empowered to supervise all of the employees of the Corporation, under such terms and having such job responsibilities as the Chief Executive Officer shall determine in his or her sole discretion, subject to the rights, if any, of the employee under any contract of employment. The Chief Executive Officer shall be delegated signing authority by the Board as set forth by resolution of the Board. The Chief Executive Officer may delegate his or her responsibilities and powers subject to the control of the Board. He or she shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

9.5.4 Responsibilities of the Chief Operating Officer

The Chief Operating Officer shall assist in the general supervision and administration of the day to day business and affairs of the Corporation, subject to the direction of the Chief Executive Officer. The Chief Operating Officer shall be authorized to seek funding opportunities such as grants and proposals and shall be delegated signing authority by the Board as set forth by resolution of the Board. The Chief Operating Officer may delegate his or her responsibilities and powers subject to the control of the Board. He or she shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

9.5.5 Responsibilities of the Secretary

The Secretary shall be delegated signing authority by the Board as set forth by resolution of the Board and may delegate his or her responsibilities and powers subject to the control of the Board. The Secretary shall keep or cause to be kept, at the principal office of the Corporation or such other place as the Board may direct:

1. The original or a copy of these Bylaws, certified by the Secretary and as amended to date.
2. A copy of the Articles of Incorporation, as amended to date.
3. A book of minutes of all meetings, proceedings, and actions of the Board and Committee(s) of the Board.

The Secretary shall keep the Corporate Seal in safe custody and shall have such other powers and perform such other duties as the Board or these Bylaws may prescribe.

9.5.6 Responsibilities of the Chief Financial Officer

The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Corporation's properties and transactions. The Chief Financial Officer shall prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports. The Chief Financial Officer shall send or cause to be given to the Directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board

The Chief Financial Officer shall be delegated signing authority by the Board as set forth by resolution of the Board and may delegate his or her responsibilities and powers subject to the control of the Board.

The Chief Financial Officer shall deposit or cause to be deposited all money and other valuables in the name and to the credit of the Corporation with such depositories as the Board may designate, shall disburse the Corporation's funds as the Board may order, shall render to the Board, when requested, an

account of all transactions and an account of the financial condition of the Corporation, and shall have such other powers and perform such other duties as the Board or these Bylaws may prescribe.

If required by the Board, the Chief Financial Officer shall give the Corporation a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the office and for restoration to the Corporation of all of its books, papers, vouchers, money and other property of every kind in the possession or under the control of the Chief Financial Officer on his or her death, resignation, retirement or removal from office.

ARTICLE 10 ADDITIONAL PERSONNEL

Section 10.1 Clerk of the Board

The Riverside County Clerk of the Board shall serve as the Clerk of the Board for the Corporation. The Clerk of the Board shall give, or cause to be given, notice of all meetings of the Board and Committees of the Board required by these Bylaws to be given. The Clerk of the Board, or designee, shall certify meeting minutes as these Bylaws prescribe and in the manner provided in the Brown Act. The Clerk of the Board shall also serve as the Corporation's Filing Officer for Form 700 Statements of Economic Interest.

Section 10.2 General Counsel

General Counsel shall be appointed by the Board from the office of County Counsel of the County of Riverside ("County Counsel"). General Counsel shall be responsible for review and/or preparation of all proposed resolutions, rules, contracts and all other legal actions of the Corporation. He or she shall give advice or opinion in writing to the Officers and/or Board whenever required or requested to do so. He or she shall attend to lawsuits and other matters to which the Corporation is a party or in which the Corporation may be legally interested and do such other things as the Board may require. General Counsel, or designee, shall record and maintain safe custody of minutes of closed session meetings as these Bylaws prescribe and in the manner provided in the Brown Act.

The extent and nature of such services shall be set forth in a contract between the Corporation and County Counsel establishing certain Corporation/County Counsel relationships.

Section 10.3 Additional Personnel

The day-to-day services required by the Corporation are to be rendered by Housing Authority and/or County of Riverside ("County") employees. The extent and nature of such services shall be set forth in a contract between the Corporation, the Housing Authority and the County establishing certain Corporation/ Housing Authority/ County relationships.

Section 10.4 Agents, Consultants and Volunteers

In addition to the use of County and Housing Authority employees, the Board may from time-to-time establish such positions and select and appoint such agents, consultants and volunteers, regular and temporary, as it may require and determine their qualifications, duties and compensation.

The Board may, from time-to-time appoint or employ such personnel as it deems necessary to exercise its powers, duties and functions as prescribed by state and federal statutes applicable thereto. The selection, duties and compensation of such personnel shall be determined by the Board, subject to the laws of the State of California.

ARTICLE 11 INDEMNIFICATION

Section 11.1 Right of Indemnity

To the fullest extent permitted by law, this Corporation shall indemnify its Directors, Officers, employees, and other people described in Section 5238 (a) of the Corporations Code, including people formally occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any proceeding by reason of the fact that the person is or was an agent of the corporation. The indemnification shall include an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that section of the Corporations Code.

The terms “expenses” , “proceeding” and “agent” as used in these Bylaws shall have the same meaning as in Section 5238 (a) of the Corporations Code.

Section 11.2 Approval of Indemnity

On written request to the Board by any person seeking indemnification under Sections 5238 (b) or 5238 (c) of the Corporations Code, the Board shall promptly determine under Section 5238 (e) whether the applicable standard of conduct set forth in Sections 5238 (b) or 5238 (c) has been met. If so, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of Directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of Directors who are not parties to that proceeding, the Board shall promptly refer the question to the Board of Commissioners of the Housing Authority. The Board of Commissioners of the Housing Authority shall determine under Section 5238 (e) whether the applicable standard of conduct set forth in Section 5238 (b) or 5238 (c) has been met and if so the Board of Commissioners shall authorize indemnification.

Section 11.3 Advancement of Expenses

To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred in defending any proceeding may be advanced by the Corporation before final disposition of the proceeding on receipt by the Corporation of an undertaking by or on behalf of that agent to repay the amount of that advance unless it is ultimately determined that the agent is entitled to be indemnified by the Corporation for those expenses.

Section 11.4 Insurance

The Corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its Officers, Directors, employees and other agents, against any liability asserted against or incurred by any of them in such capacity or arising out of their status as such.

ARTICLE 12 RECORDS AND REPORTS

Section 12.1 Articles of Incorporation and Bylaws

The Corporation shall keep at its principal office, the original or a copy of the Articles of Incorporation and Bylaws as amended to date.

Section 12.2 Books and Records of Account

The Corporation shall keep adequate and correct books and records of account. Such books and records shall include, but are not necessarily limited to: accounts of properties and transactions, and corporate assets, liabilities, receipts, disbursements, gains, and losses. The books of account shall be open to inspection by any Director at all reasonable times.

Section 12.3 Annual Report

The Board shall cause an Annual Report to be sent to each Director within 120 days after the end of the Corporation's fiscal year. The Annual Report shall contain the following information in appropriate detail:

1. The assets and liabilities, including trust funds of the Corporation at of the end of the fiscal year.
2. The principal changes in assets and liabilities, including trust funds, during the fiscal year.
3. The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, during the fiscal year.
4. The expenses or disbursements of the Corporation, for both general and restricted purposes, during the fiscal year.
5. Any additional information required by this Article of these Bylaws or at the request of the Board.

The Annual Report shall be accompanied by a report (if any) of independent accountants, or if there is no such report, by the certificate of an authorized Officer of the Corporation that such statements were prepared without audit from the Corporation's books and records.

This requirement of an Annual Report shall not apply if the Corporation receives less than \$25,000 in gross receipts during the fiscal year, provided, however, that the information specified above for inclusion in an Annual Report must be furnished annually to all Directors.

Section 12.4

Annual Statement of Certain Transactions and Indemnifications

As part of the Annual Report, a statement of any transaction for indemnification of the following kind shall be prepared and furnished to each Director:

1. Any transaction:
 - a) in which the Corporation participated;
 - b) in which a Director or Officer of the Corporation had a direct or indirect material financial interest; and
 - c) which involved more than \$50,000, or was one of a number of transactions with the same interested person involving in the aggregate more than \$50,000.

The statement shall include a brief description of the transaction, the names of the interested people involved, their relationship to the Corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with the partnership in which the interested person is a partner, only the interest of the partnership need be stated.

2. Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or Director of the Corporation under these Bylaws, unless that indemnification has already been approved by the Board of Commissioners of the Housing Authority.

Section 12.5

Meeting Minutes

The Corporation shall keep a minute book in written form which shall contain a record of all actions of the proceedings of the Board or any Committees of the Board including:

1. The time, date and place of each meeting;

2. Whether a meeting is regular or special and, if special, how authorized;
3. The manner of giving notice of each meeting and a copy thereof;
4. The names of those present at each meeting;
5. The minutes of all meetings;
6. Any written waivers of notice, consents to the holding of a meeting or approvals of the minutes thereof;
7. All protests concerning lack of notice; and
8. Formal dissents from Board actions.

Copies of Board meeting minutes that are duly certified by the Clerk of the Board, or designee, as being correct shall serve as proof of actions of the Corporation.

ARTICLE 13 CONSTRUCTION AND DEFINITIONS

Unless the context requires otherwise, the general provisions, rules of construction and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the preceding sentence, indication of gender shall include all genders and indication of numbers shall include singular and plural, and the term person shall include both a legal entity and a natural person.

ARTICLE 14 RENTAL ASSISTANCE DEMONSTRATION

Section 14.1

Notwithstanding any other clause or provision in these Bylaws and Articles of Incorporation and so long as the Rental Assistance Demonstration Use Agreements dated as of substantially even date herewith, as amended from time to time (“Use Agreements”) are in effect, the following provisions shall apply:

1. If any of the provisions of these Bylaws conflict with the terms of the Use Agreements, the provisions of the Use Agreements shall control.
2. The provisions in this Article 14 are required to be inserted into these Bylaws by the U.S. Department of Housing and Urban Development (HUD) and may not be amended without HUD’s prior written approval. If there is a conflict between any of these HUD-required provisions and any other provision of these Bylaws, the terms of these HUD-required provisions will govern. If there is a conflict between any of the provisions in the Articles of Incorporation and these HUD-required provisions of these Bylaws, these HUD-required provisions will

govern. If there is a conflict between the Use Agreements or these HUD-required provisions relating to the Rental Assistance Demonstration (“RAD”) and any HUD-required provisions relating to mortgage insurance provided in connection with the National Housing Act, the more restrictive provisions shall control.

3. The Board acknowledges that provision of rental assistance to the Projects receiving assistance under RAD depends on the Corporation being controlled by the Housing Authority. Failure of the Corporation to be controlled by the Housing Authority shall be a violation of this agreement and may cause termination of such rental assistance.
4. The Corporation shall not have any authority to:
 - a) Take any action in violation of the Use Agreements; or
 - b) Fail to renew the Housing Assistance Payment Contracts (“HAP Contracts”) upon such terms and conditions applicable at the time of renewal when offered for renewal by the Housing Authority or HUD.
5. Without the consent of the Board, the following shall not occur:
 - a) Except to the extent permitted by the HAP Contracts or Use Agreements, transfer, convey, assign, mortgage, pledge, sell, lease, sublease or otherwise dispose of, at any time, the Projects receiving assistance under RAD or any part thereof; or
 - b) Amend, renew or terminate the Property Management Agreement or enter into a new property management agreement.

ARTICLE 15 AMENDMENTS

The Board may adopt, amend, or repeal these Bylaws. Such power is subject to the following limitations:

1. The Board may not extend the term of a Director beyond that for which the Director was appointed.
2. The Board may not, without the approval of the Board of Commissions of the Housing Authority, specify or change any Bylaw provision which would:
 - a) fix or change the authorized number of Directors,
 - b) fix or change the minimum or maximum number of Directors, or

- c) change from a fixed number of Directors to a variable number of Directors or vice versa.
- 3. If any provision of these Bylaws requires the vote of a larger proportion of the Board than is otherwise required by law, that provision may not be altered, amended, or repealed except by that greater vote.

CERTIFICATE OF SECRETARY

I certify that I am the duly appointed and acting Secretary of Riverside Community Housing Corporation, a California Non-Profit Public Benefit Corporation, that the above Bylaws, consisting of 17 pages, are the Bylaws of this Corporation as adopted by the Board of Directors on _____, 2016 and that they have not been amended or modified since that date.

Executed on _____, 2016 at Riverside, California.

By: _____
John Aguilar, Secretary

ATTACHMENT E
Resolution No. 2016-001

2
3 **RESOLUTION NO. 2016-001**

4 **AUTHORIZING THE ACQUISITION FROM THE HOUSING AUTHORITY OF**
5 **THE COUNTY OF RIVERSIDE OF PUBLIC HOUSING PROJECTS UNDER THE U.S.**
6 **DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT’S (HUD) RENTAL**
7 **ASSISTANCE DEMONSTRATION (RAD) PROGRAM, AND RELATED ACTIVITIES**
8

9 **WHEREAS**, the Corporation was authorized to be formed by the Housing
10 Authority of the County of Riverside a public entity, corporate and politic of the State of
11 California ("Authority"), incorporated pursuant to the provisions of Chapter 1 of Part 2 of
12 Division 24 (commencing with Section 34200) of the California Health and Safety Code,
13 as amended, for the purpose of supporting the activities of the Authority, through the
14 ownership and operation of low-income housing;

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

1 **WHEREAS**, the United States Department of Housing and Urban Development
2 ("HUD") has approved the Authority's application under the Rental Assistance
3 Demonstration ("RAD") Program to convert the Properties to Section 8 Project-Based
4 Voucher units;

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

7 **WHEREAS**, the Authority desires to convey the Properties to the Corporation
8 under RAD for \$1; AND

9 **WHEREAS**, the Corporation desires to acquire the Properties to continue to
10 operate the Properties as low-income housing units.

11
12 **NOW THEREFORE, BE IT RESOLVED, FOUND, DETERMINED AND**
13 **ORDERED** by the Board of Directors in regular session assembled on June 7, 2016, as
14 follows:

- 15 1. That the Board of Directors hereby finds and declares that the above recitals are
16 true and correct.
- 17 2. That the Corporation's Chief Operating Officer, or designee, acting alone on
18 behalf of the Corporation, is hereby authorized and directed i) to submit any
19 documents or information requested by HUD; and ii) to execute any and all
20 documents and approvals that may be required by any party to complete the
21 RAD conversion process, subject to approval by the Corporation's General
22 Counsel.
- 23 3. That the Board of Directors hereby authorize the Corporation to acquire from the
24 Authority, for \$1, that certain real property consisting of nineteen (19) public
25 housing projects totaling four hundred and sixty-nine (469) affordable housing
26 units identified as Assessor's Parcel Numbers 179-140-011, 179-140-013, 179-
27 140-015, 179-140-017, 181-081-00, 181-081-010, 181-081-011, 191-110-003,
28 247-111-018, 247-111-021, 247-111-022, 291-192-010, 291-192-011, 291-192-

1 012, 291-192-013, 313-283-027, 313-283-028, 313-283-029, 313-283-030, 313-
2 283-031, 313-283-032, 313-283-033, 313-283-034, 313-283-035, 313-283-036,
3 379-250-037, 379-250-038, 379-250-039, 379-250-040, 387-092-027, 387-092-
4 028, 387-092-029, 387-092-030, 387-092-031, 387-092-032, 387-092-033, 418-
5 150-011, 418-150-012, 418-150-014, 434-314-001, 434-314-002, 434-314-003,
6 479-210-008, 479-210-009, 482-080-033, 482-080-034, 541-121-042, 608-230-
7 032, 644-230-005, 673-140-007, 727-130-017, 757-061-031, 757-061-032, and
8 757-061-033, and all improvements and fixtures located thereon, all within the
9 County of Riverside, as more particularly described in Exhibit "A" attached hereto
10 and incorporated herein by this reference.

- 11 4. That the Board of Commissioners hereby authorize and direct the Corporation's
12 Chief Operating Officer, or designee, acting alone on behalf of the Corporation,
13 to execute any and all necessary documents, including, but not limited to, escrow
14 instructions, grant deeds, use agreements, housing assistance payments
15 contracts, and a preliminary change of ownership report forms, and to take any
16 and all further actions necessary to consummate the acquisition of the Properties
17 from the Authority, and to do any and all other activities contemplated in this
18 Resolution.

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Exhibit A
Legal Descriptions
(Behind this page)