

FORM APPROVED COUNTY COUNSEL
 BY: GREGORY P. PRIAMOS DATE: 7/12/16

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

225



FROM: Economic Development Agency

SUBMITTAL DATE:
 July 13, 2016

SUBJECT: Resolution No. 2016-160, Notice of Intention to Convey Fee Simple Interest in Real Property to Riverside Community Housing Corp., District 4 [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Adopt Resolution No. 2016-160, Notice of Intention to Convey Fee Simple Interest in Real Property located in the Cities of Desert Hot Springs, Cathedral City, and Blythe, County of Riverside, Assessor's Parcel Numbers 644141013-4, 680272032-0, 639302012-2, 680396003-7, 641311023-7, 644141015-6, 644141014-5, 639222006-0, 675251009-7, 680452047-0, and 842216001-2 by Grant Deeds to the Riverside Community Housing Corp.; and

(Continued)

Robert Field

Robert Field
 Assistant County Executive Officer/EDA

Departmental Concurrence

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS:				Budget Adjustment: No	
				For Fiscal Year: 2016/17	

C.E.O. RECOMMENDATION:

APPROVE

BY: Rohini Dasika
 Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

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

Prev. Agn. Ref.: 3.30 of 5/3/2016 | District: 4 | Agenda Number:

3-21

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

Economic Development Agency

FORM 11: Resolution No. 2016-160, Notice of Intention to Convey Fee Simple Interest in Real Property to Riverside Community Housing Corp., District 4 [\$0]

DATE: July 13, 2016

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RECOMMENDED MOTION: (Continued)

2. Direct the Clerk of the Board to give notice pursuant to Sections 25539.4 and 6063 of the Government Code.

BACKGROUND:

Summary

Pursuant to Government Code Section 25539.4, the County may transfer interest in real property or any interest therein, belonging to the County to another entity, upon the terms and conditions as agreed upon and without complying with any other provisions of the government code, if the property or interest therein to be conveyed has been determined that the property can be used to provide housing affordable to persons and families of low income, as defined by Section 50093 of the Health and Safety Code.

On May 3, 2016, the Board of Supervisors of the County of Riverside accepted the conveyance of fee simple interest in real property of 11 scattered properties located in the Cities of Desert Hot Springs, Cathedral City, and Blythe from Rancho Housing Alliance, Inc. ("RHA"), properties improved with Neighborhood Stabilization Program ("NSP") funds, referenced in Exhibit A ("NSP Properties"), attached hereto. The NSP Properties that were conveyed to the County of Riverside (County) were acquired and rehabilitated by RHA with a \$3,204,000 NSP loan provided by the County. RHA has fallen on hard times and was unable to manage the NSP Properties and in lieu of the County foreclosing on the NSP Properties, RHA agreed to deed the NSP Properties to the County. This conveyance will allow the County to convey to an entity that is capable of managing the NSP properties consistent with the public purposes in which these properties were acquired and improved.

The County of Riverside is participates in programs provided by the U.S. Department of Housing of Urban Development ("HUD"). The NSP Properties must remain as affordable housing for 55 years or the County risks having to repay back the NSP investment back to HUD. The County of Riverside Economic Development Agency ("EDA") is currently managing the NSP Properties while the title is under the County's name. EDA is not set up to manage the NSP Properties long term and has identified the Housing Authority's non-profit organization Riverside Community Housing Corp. ("RCHC"), a California nonprofit public benefit corporation, that is an affiliate of the Authority as the ideal entity to assume the NSP Properties and manage them for the required 55 year affordability period. The mission of RCHC, in part, is to promote affordable housing, and is staffed by Housing Authority staff who are experience in managing public housing sites and therefore are qualified and set up to manage the NSP Properties.

Should the Board approve the proposed conveyance of the Properties at a future Board meeting, the County is also proposing to provide RCHC \$450,000 in additional NSP funds. Specifically, the additional NSP funds would be used for the following purposes: 1) To complete the minor rehabilitation work to the Properties that are in need of approximately \$200,000 in minor rehabilitation to ensure they meet HUD's Housing Quality Standards ("HQS"); 2) To establish a reserve account to financially stabilize the Properties in the amount of \$100,000; and 3) To allocate \$150,000 in NSP funds to satisfy county property tax arrearages.

Resolution No 2016-160 has been reviewed and approved as to form by County Counsel.

(Continued)

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

Economic Development Agency

FORM 11: Resolution No. 2016-160, Notice of Intention to Convey Fee Simple Interest in Real Property to Riverside Community Housing Corp., District 4 [\$0]

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Impact on Residents and Businesses

The conveyance of these properties to the Riverside Community Housing Corporation will continue the benefits to these communities and maintain the affordability of these properties for the families utilizing the NSP Properties.

SUPPLEMENTAL:

Additional Fiscal Information

There is no additional County cost associated with this project except the potential NSP funds to perform the necessary rehabilitation to the properties.

Attachments:

Resolution No. 2016-160 with Exhibit A

1 **Board of Supervisors**

County of Riverside

2 Resolution No. 2016-160

3 Notice of Intention to Convey Fee Simple Interest in Real Property Identified with
4 Assessor's Parcel Numbers 644141013-4, 680272032-0, 639302012-2, 680396003-7,
5 641311023-7, 644141015-6, 644141014-5, 639222006-0, 675251009-7, 680452047-0,
6 and 842216001-2, located in the Cities of Desert Hot Springs, Cathedral City, and
7 Blythe, County of Riverside, each by Grant Deed
8 to Riverside Community Housing Corp.

9 WHEREAS, on July 14, 2009, the Board of Supervisors of the County of
10 Riverside awarded Rancho Housing Alliance, Inc. ("RHA"), a non-profit public benefit
11 organization, \$1,704,000 in the Neighborhood Stabilization Program ("NSP") for the
12 acquisition, rehabilitation of foreclosed rental multi-family housing units and one single
13 family residence, and

14 WHEREAS, on February 23, 2010, the Board of Supervisors of the County of
15 Riverside awarded RHA an additional \$1,500,000 in NSP funds to acquire additional
16 multi-family housing units, and

17 WHEREAS, all above referenced properties are located in the Cities of Desert
18 Hot Springs, Cathedral City, and Blythe, County of Riverside, California, identified as
19 the properties in Exhibit A ("Properties"), and

20 WHEREAS, on May 3, 2016, pursuant to Resolution No. 2016-125 the NSP
21 Properties were conveyed to the County of Riverside ("County") by RHA in lieu of
22 foreclosing the properties; and

23 WHEREAS, due to the County's interest in the Properties and the desire to
24 protect and preserve the low income housing purpose for which these Properties were
25 acquired, the County desires to convey the Properties to Riverside Community
26 Housing Corp. ("RCHC"), a California nonprofit public benefit corporation, that is an
27 affiliate of the Housing Authority of the County of Riverside; now, therefore,
28

FORM APPROVED COUNTY COUNSEL
BY: *Synthia M. Ginzler* DATE: *7-12-16*
SYNTHIA M. GINZEL

1 BE IT RESOLVED, DETERMINED AND ORDERED and NOTICE HEREBY
2 GIVEN by the Board of Supervisors of the County of Riverside ("Board"), in regular
3 session assembled on or after July 26, 2016, at 9:00 a.m. or soon thereafter, in the
4 meeting room of the Board of Supervisors located on the 1st floor of the County
5 Administrative Center, 4080 Lemon Street, Riverside, California, and that this Board
6 determines that the Properties will continued to be used to provide housing affordable
7 to persons and families of low income, as defined by Section 50093 of the Health and
8 Safety Code and intends to convey the property interest listed in Exhibit A, on or after
9 August 23, 2016, to RCHC by Grant Deed for each respective property interest to
10 RCHC.

11 The Board of Supervisors will meet to conclude the proposed transaction on or
12 after August 23, 2016, at 9:00am or thereafter at the meeting room of the Board of
13 Supervisors located on the 1st floor of the County Administrative Center, 4080 Lemon
14 Street, Riverside, California.

15 BE IT FURTHER RESOLVED AND DETERMINED that the Clerk of the Board
16 of Supervisors is directed to give notice hereof as provided in Sections 25539.4 and
17 6063 of the Government Code.

Exhibit A NSP Properties

Assessor parcel	Site address	Units	NSP Loan
644141013-4	68170 Calle Las Tiendas Desert Hot Springs CA 92240	4	311,200.00
680272032-0	32425 Montevista Rd Cathedral City CA 92234	2	278,703.00
639302012-2	66780 4th Street Desert Hot Springs CA 92240	3	312,848.00
680396003-7	68685 Cedar Road, Cathedral City, CA 92234	2	278,253.00
641311023-7	13740 Mark Drive Desert Hot Springs CA 92240	2	160,000.00
644141015-6	68150 Calle Las Tiendas Desert Hot Springs, CA 92240	4	315,990.00
644141014-5	68160 Calle Las Tiendas Desert Hot Springs, CA 92240	4	319,240.00
639222006-0	66061 3rd Street Desert Hot Springs CA 92240	9	553,040.00
675251009-7	29660 Landau Blvd Cathedral City CA 92234	2	238,954.00
680452047-0	33580 Cathedral Canyon, Cathedral City CA 92234	2	231,772.00
842216001-2	424 Chaparral Street Blythe CA 92225	1	204,000.00