

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



**FROM:** Supervisor Benoit


**SUBMITTAL DATE:**  
June 2, 2011

**SUBJECT:** First Amendment to the Disposition and Development/Affordable Housing Agreement with Operation Safe House, Inc. in the community of Thousand Palms

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

1. Approve the attached First Amendment to the Disposition and Development/Affordable Housing Agreement (First Amendment) by and between the Redevelopment Agency for the County of Riverside and Operation Safe House Inc., a California non-profit public benefit corporation;
2. Authorize the Chairman of the Board to execute the attached First Amendment; and
3. Authorize the Executive Director, or designee, to execute a Subordination Agreement with a construction lender, to be named at a later date, in an amount up to \$1,000,000, subject to approval by Agency Counsel; and
4. Authorize the Executive Director, or designee, to execute a Subordination Agreement with a permanent lender, to be named at a later date, in an amount up to \$3,400,000, subject to approval by Agency Counsel; and
5. Authorize the Assistant County Executive Officer, or designee, to take all necessary steps to implement the First Amendment including, but not limited to, signing subsequent, essential and relevant documents.

**BACKGROUND:** (Commences on Page 2)

  
Supervisor Benoit

**MINUTES OF THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY**

On motion of Supervisor Buster, seconded by Supervisor Benoit and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley  
Nays: None  
Absent: None  
Date: June 14, 2011  
xc: RDA, Supvr. Benoit

Kecia Harper-Ihem

Clerk of the Board

By:   
Deputy

**BACKGROUND:** On March 23, 2010, the Board of Directors approved a Disposition and Development/Affordable Housing Agreement for the use of Redevelopment Low-and Moderate-Income Housing Funds by and between the Redevelopment Agency for the County of Riverside (Agency) and Operation Safe House Inc., a California nonprofit public benefit corporation (OSH) in the amount of \$1,100,000 (Agency Agreement) to be utilized for predevelopment expenses and the development and construction of 16 supportive housing units, which includes one manager's unit (Project). The Project is located at 72695 La Canada Way, in the community of Thousand Palms, an unincorporated area of Riverside County (Site).

OSH has requested conveyance of the Site from the Agency to OSH by July 6, 2011 to comply with the conditions of funding from the Supportive Housing Program (SHP) Grant from the US Department of Housing and Urban Development (HUD) and Agency has agreed to convey the Site. The proposed First Amendment includes revisions to the Agency Agreement to revert Site ownership to Agency if Agency conditions after closing are not met. The First Amendment also includes a revision in language to the Regulatory Agreement and a change in the scope of the Project to add a services building adjacent to the site, although Agency funding will be used as per the original Agency Agreement.

**FINANCIAL DATA:**

All the costs related to this project will be fully funded with Redevelopment Low- and Moderate-Income Housing Funds

**Attachments:**

First Amendment to the Disposition and Development/Affordable Housing Agreement

NO FEE FOR RECORDING PURSUANT  
TO GOVERNMENT CODE SECTION 6103

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

Redevelopment Agency  
for the County of Riverside  
3403 10<sup>th</sup> Street, Suite 500  
Riverside, CA 92501  
Attn. Lorena Oseguera

SPACE ABOVE THIS LINE FOR RECORDERS USE

**FIRST AMENDMENT TO DISPOSITION AND DEVELOPMENT/ AFFORDABLE  
HOUSING AGREEMENT**

This First Amendment ("First Amendment") is made and entered into this 2<sup>nd</sup> day of  
June, 2011 by and between the Redevelopment Agency for the County of  
Riverside ("Agency"), a public body, corporate and politic and Operation Safe House Inc.,  
("Developer"), a California nonprofit public benefit corporation.

**WITNESSETH:**

WHEREAS, Agency and Developer entered into a Disposition and  
Development/Affordable Housing ("Agency Agreement") dated March 23, 2010; and Agency  
is a California redevelopment agency acting under the California Community Redevelopment  
Law, Part 1 of Division 24 of the Health and Safety Code (the "Redevelopment Law"); and

WHEREAS, Agency owns and has possession of certain parcel of real property **located  
at 72695 La Canada Way, Thousand Palms in the unincorporated Riverside County** (the  
"Site"); and

WHEREAS, Developer proposes to develop and construct 16 supportive rental housing  
units, including a manager's unit (the "Housing Project") on the Site for rent to qualifying Very  
Low Income Households and Developer; and

WHEREAS, Developer wishes to acquire the Site from the Agency to implement such  
purpose; and

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1 WHEREAS, conveyance of the Site from the Agency to the Developer by July 6, 2011 is  
2 a requirement to preserve the Supportive Housing Program (SHP) Grant from the Housing and  
3 Urban Development (HUD) and Agency has agreed to convey the Site to the Developer; and

4 WHEREAS, by amending the Agency Agreement, Regulatory Agreement, Grant Deed  
5 and the Scope of Development, the Project can move forward and the County's supply of  
6 affordable housing shall increase.

7 NOW, THEREFORE, in consideration of the foregoing, and the promises and mutual  
8 covenants and conditions hereinafter set forth, Agency and Developer do hereby agree to  
9 amend the Agency Agreement as follows:

- 10 1. **Amendment to CONDITION TO CLOSING.** Section 3 is hereby deleted and  
11 replaced in full as follows:

12  
13 **"3. CONDITION TO CLOSING**

14 **3.1 Agency Conditions Precedent.** The Agency shall not execute  
15 the Agency Deed or proceed with the Closing as provided pursuant to this  
16 Agreement, unless all of the following conditions precedent (the "Agency  
17 Conditions Precedent") have been fully satisfied, as determined in good faith by the  
18 Agency (which condition, if it requires action by Developer, shall also be a covenant  
19 of Developer):

20 (a) **Payment of Purchase Price.** The Developer shall  
21 have deposited the Purchase Price in escrow or shall have deposited the executed  
22 Agency Note to the Agency prior to the Closing with instructions to the Escrow  
23 Holder to deliver the Purchase Price to the Agency concurrent with the recordation  
24 of the Agency Deed.

25 (b) **Recording of Certain Documents.** Each of the  
26 Agency Regulatory Agreement and the Agency Deed of Trust has been executed by  
27 the Developer (where such documents so provide) and is ready to be recorded.

28 (c) **Title Insurance.** The Title Company shall have

1 committed to issue the Title Policies to the Developer, in accordance with  
2 Section 2.4 hereof (subject to payment of the premiums therefor).

3 (d) Insurance. The Developer shall have provided  
4 proof of insurance as required by Section 4.5 hereof.

5  
6 **3.2 Agency Conditions After Closing**. The Agency shall require  
7 Developer to return property to Agency, pursuant to this Agreement and the Grant  
8 Deed identified as Attachment No. 6, unless all of the following conditions have  
9 been fully satisfied, as determined in good faith by the Agency within eighteen (18)  
10 months after the Closing (which condition, if it requires action by Developer, shall  
11 also be a covenant of Developer).

12 (a) Evidence of Financing. Developer shall have  
13 provided written proof acceptable to Agency that the Developer has sufficient  
14 internal funds and/or has obtained unexpired loan commitments or financing, as  
15 identified in Attachment No. 15, subject to customary conditions and Agency has  
16 approved such evidence of financing, in accordance with Sections 4.15 and 4.15.1  
17 hereof; such financing sources shall be ready to close and proceeds shall be available  
18 to Developer. Developer shall have obtained approval by the Agency of a Financing  
19 Plan.

20 (b) Construction Financing. In the event Developer  
21 obtains a loan or financing for the construction of the Development, such  
22 Construction Loan or financing for the Development shall be ready to close, shall  
23 close, and shall be immediately available for use in constructing the Improvements.  
24 Such Construction Loan or financing shall be in an amount no less than one million  
25 dollars (\$1,000,000.00).

26 (c) Construction Contract. Developer shall provide to  
27 the Agency a signed copy of a fixed-price contract between the Developer and the  
28 general contractor for the construction of the Development, certified by the

1 Developer to be a true and correct copy thereof, and Agency shall have approved  
2 such contractor or contractors, and the construction contract or contracts, pursuant to  
3 Section 4.15 hereof upon the receipt of construction financing. Nothing contained in  
4 this subsection (c) shall be deemed to create any responsibility or liability for  
5 selection of the contractor(s) of for construction of the Improvements, the Developer  
6 being solely responsible for such activities.

7 (d) Draw Down of Funding. The Developer shall  
8 not draw HUD funds for the development of the Housing Project until the Developer  
9 has obtained written approval by the Agency.

10 (e) Clear Title. The Developer shall maintain title  
11 with the same conditions &/or exceptions as of the date of the close of escrow and  
12 shall maintain title free of additional encumbrances, liens, judgments, after the close  
13 of escrow, unless the Developer has obtained written approval by the Agency for  
14 such lien &/or encumbrance.

15 (f) Taxes and Insurance. The Developer shall  
16 maintain proof of insurance as required by Section 4.5 hereof. The Developer shall  
17 also pay all payable property taxes and supplemental taxes for the Site.

18 (g) Plans Approved. The Developer shall have  
19 obtained approval by the Agency and County of the Plans for the Housing Project as  
20 set forth in Section 4.2 hereof upon receipt of financing.

21 (h) Entitlements. The Developer shall have received  
22 all Entitlements and land use approvals required in order to construct the  
23 Improvements upon.

24 (i) Housing Project Budget. The Housing Project  
25 Budget shall have been finalized by the Developer and the Agency.

26 (j) Readiness. The Developer submits evidence that  
27 the final working drawings and Plans have been approved by the County so that the  
28 Housing Project is "permit ready;" that is, that the only other condition to the

1 issuance of building permits for the construction of Improvements is the payment of  
2 fees;

3 (j) Representations and Warranties. The  
4 representations and warranties of Developer contained in this Agreement shall be  
5 correct as of the Closing as though made on and as of that date, and Agency shall  
6 have received a certificate to that effect signed by an officer of Developer.

7 (k) No Default. No Event of Default by Developer  
8 shall have occurred under this Agreement, no event shall have occurred which, with  
9 the giving of notice or the passage of time or both, would constitute an Event of  
10 Default by Developer under this Agreement, and Agency shall have received a  
11 certificate to that effect signed by an officer of Developer.

12 All conditions set forth in Section 3.1 and 3.2 or to Agency's obligations  
13 hereunder, are for Agency's benefit only and Agency may waive all or any part of  
14 such rights by written notice to Developer and Escrow Holder. If Agency shall,  
15 within the applicable periods set forth herein, disapprove of any of the items which  
16 are subject to Agency's approval, or if any of the conditions set forth in this  
17 Agreement are not met within the times called for, Agency may thereafter terminate  
18 this Agreement without any further liability on the part of Agency by giving written  
19 notice of termination to the Escrow Holder, with a copy to Developer. Escrow  
20 Holder shall thereupon, without further consent from Developer, return to each party  
21 the documents and funds deposited by them.

22  
23 **3.3 Developer Conditions Precedent.** The Developer shall not  
24 be obligated to proceed with the Closing as provided pursuant to this Agreement,  
25 unless all of the following conditions precedent (the "Developer Conditions  
26 Precedent") has been fully satisfied, as determined in good faith by the Agency  
27 (which condition, if it requires action by Developer, shall also be a covenant of  
28 Developer):

1 (a) Recording of Certain Documents. Each of the  
2 Agency Regulatory Agreement and the Agency Deed of Trust has been executed by  
3 the Agency (where such documents so provide) and is ready to be recorded.

4 (b) Title Insurance. The Title Company shall have  
5 committed to issue the Title Policies to the Developer, in accordance with Section 2.4  
6 hereof.

7 (c) Housing Project Budget. The Housing Project  
8 Budget shall have been finalized by the Developer and the Agency.

9 Notwithstanding the foregoing, the Developer, in its discretion,  
10 may waive any of the foregoing Developer Conditions Precedent. A waiver of any of  
11 the foregoing conditions shall not operate in any way as a waiver of, or estoppel with  
12 respect to, any subsequent or other failure to comply with such condition, or to any  
13 other condition contained in this Agreement.”

14  
15 **2. Amendment to Financing of the Improvements.** Section 4.15.1 is hereby deleted  
16 and replaced in full as follows:

17 “**4.15.1 Approval of Financing.** As required herein, Developer  
18 shall submit to Agency evidence that Developer has obtained sufficient equity capital  
19 or has arranged for and obtained a binding commitment for construction financing  
20 necessary to undertake the development of the Site and the construction of the  
21 Improvements in accordance with this Agreement (“Proof of Financing  
22 Commitments”).

23  
24 The Agency shall reasonably approve or disapprove such evidence of  
25 financing within twenty (20) days of receipt of each of the respective submittals,  
26 provided that such submittal is complete. Approval shall not be unreasonably  
27 withheld so long as the terms and conditions of the financing are consistent with this  
28 Agreement, including without limitation acknowledgment and consent by such lender



1 to each of the Agency Regulatory Agreement, and are otherwise reasonable and  
2 customary. The failure or refusal by the Agency to approve financing that does not  
3 satisfy the foregoing criteria shall conclusively be deemed to be reasonable. If  
4 Agency shall disapprove any such evidence of financing, Agency shall do so by  
5 Notice to Developer stating the reasons for such disapproval and Developer shall  
6 endeavor to promptly obtain and submit to Agency new evidence of financing.  
7 Agency shall approve or disapprove such new evidence of financing in the same  
8 manner and within the same times established in this Section 4.15.1 for the approval  
9 or disapproval of the evidence of financing as initially submitted to Agency.  
10 Developer shall close the approved financing concurrently with the Closing.

11 The Proof of Financing Commitment shall include a copy of a legally  
12 binding, firm and enforceable loan commitment(s) obtained by Developer from one  
13 or more financial institutions for the Construction Loan.”  
14

- 15 3. **Amendment to Limited Subordination.** Section 4.15.6 is hereby deleted and  
16 replaced in full as follows:  
17

18 “4.15.6 **Limited Subordination.** It is contemplated that financing  
19 for the Development will be provided from funds of the Developer and proceeds of a  
20 conventional construction loan. In connection with the provision of the Primary  
21 Construction Loan, the Primary Permanent Loan and subject to approval by Agency,  
22 the Agency Deed of Trust will be subordinate to the deed(s) of trust recorded  
23 securing repayment of such loans; such subordination shall be for the benefit of third  
24 party lenders making the Primary Construction Loan and/or the Primary Permanent  
25 Loan and not for the benefit of the Developer or any Related Entity. It is not  
26 contemplated that the Agency Regulatory Agreement will be subordinated, unless  
27 authorized by Agency, in writing. In addition, Agency, subject to Agency Counsel  
28 approval, agrees to execute any and all documents necessary to effectuate

subordination of the Agency Agreement, the Agency Regulatory Agreement and the Agency Deed of Trust to the deed(s) of trust recorded securing repayment of such loans and any future refinancing upon Developer's request. "

4. **Replacement of Regulatory Agreement.** Attachment No. 5 of the Agency Agreement, the Regulatory Agreement, is hereby replaced in its entirety and substituted therefore by the new Attachment No. 5, Regulatory Agreement, attached hereto and incorporated in this First Amendment.
5. **Replacement of Grant Deed.** Attachment No. 6 of the Agency Agreement, Grant Deed, is hereby replaced in its entirety and substituted therefore by the new Attachment No. 6, Grant Deed, attached hereto and incorporated in this First Amendment.
6. **Replacement of Scope of Development.** Attachment No. 9 of the Agency Agreement, Scope of Development, is hereby replaced in its entirety and substituted therefore by the Attachment No. 9, Scope of Development, attached hereto and incorporated in this First Amendment.
7. This First Amendment, together with the Agency Agreement, contain the entire understanding and agreement of the parties hereto. There are no oral or written representations, understandings, or ancillary covenants, undertakings or agreements, which are not contained or expressly referred to within this First Amendment and Agency Agreement.
8. All other terms and conditions of the Agency Agreement remain unmodified and in full force and effect.

9. This First Amendment may be signed by the different parties hereto in counterparts, each of which shall be an original but all of which together shall constitute one and the same agreement.

**10.** The effective date of this First Amendment is the date the parties execute the First Amendment. If the parties execute the First Amendment on more than one date, then the last date the First Amendment is executed by a party shall be the effective date (“Effective Date”).

**11.** This First Amendment is not binding until approved by the Agency's Board of Directors.

(signatures continue on following page)

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1 IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of  
2 the date first written above.

3  
4 REDEVELOPMENT AGENCY  
5 FOR THE COUNTY OF RIVERSIDE

6 OPERATION SAFE HOUSE, INC.  
7 a California nonprofit public benefit corporation

8 By: Bob Buster  
9 BOB BUSTER  
10 Chairman, Board of Directors

11 By: Kathy McAdara  
12 KATHY MCADARA  
13 Executive Director

14 APPROVED AS TO FORM:

15 PAMELA J. WALLS  
16 Agency Counsel

17 By: Anita Willis  
18 Deputy, Anita Willis

19 ATTEST:

20 KECIA HARPER-IHEM  
21 Clerk of the Board

22 By: Kecia Harper-Ihem  
23 Deputy

24 (Signatures need to be notarized)

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**CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT**

STATE OF CALIFORNIA }

COUNTY OF Riverside }

On June 2, 2011, before me, Melissa A. Barnes, Notary Public

Date

Here Insert Name and Title of the Officer

personally appeared Kathy McAdara

Name(s) of Signer(s)

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.

Signature

[Signature]  
Signature of Notary Public

Place Notary Seal Above

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT**

STATE OF CALIFORNIA }

COUNTY OF \_\_\_\_\_ }

On \_\_\_\_\_, before me, \_\_\_\_\_

Date

Here Insert Name and Title of the

Officer

personally appeared \_\_\_\_\_

Name(s) of Signer(s)

\_\_\_\_\_

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.

Signature \_\_\_\_\_

Place Notary Seal Above

Signature of Notary Public

ATTACHMENT NO. 5

AGENCY REGULATORY AGREEMENT

NO FEE RECORDING PURSUANT TO  
GOVERNMENT CODE SECTION 6103

RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:

Redevelopment Agency for  
the County of Riverside  
3403 10<sup>th</sup>, Suite 500  
Riverside, California 92501  
Attn: Lorena Oseguera

(Space above for Recorder's Use)

REGULATORY AGREEMENT

These Covenants, Conditions and Restrictions, herein sometimes referred to as these "CC&Rs" or "Declaration" or "Regulatory Agreement" are made by the signatories hereto.

R E C I T A L S

**WHEREAS**, each of the **REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE**, a public body, corporate and politic ("Agency"), and **OPERATION SAFE HOUSE, INC.**, a California nonprofit public benefit corporation ("Developer") is a party to this Declaration. The Agency, and the Developer are sometimes collectively referred to herein as the "Declarants."

**WHEREAS**, the Agency and the Developer have entered into that certain Disposition and Development/Affordable Housing Agreement dated March 23, 2010 (the "AHA") and a First Amendment to Disposition and Development/Affordable Housing Agreement dated June 2, 2011 (First Amendment) for the improvement and development of certain real property described in Exhibit "A" (to which these CC&Rs are an encumbrance) as the "Site", which AHA provides for the recordation of this Regulatory Agreement.

**WHEREAS**, it is contemplated under the AHA that, as of the recordation of this Regulatory Agreement, the Agency will convey to the Developer under a form of deed provided for in the AHA (and therein defined as the "Agency Deed") the "Site", which is that certain property described in the legal description attached hereto as "Exhibit A" and incorporated herein by this reference.

**WHEREAS**, the AHA sets forth certain restrictive covenants applicable to the Site, particularly the use of the Site for the provision of rental housing units available to Very Low Income Households at Affordable Rents as those terms are defined therein.

**WHEREAS**, Agency, County, and Developer wish to adopt this Regulatory Agreement to further govern the use of the Site in conjunction and along with the AHA and to ensure that the

Agency achieves credit for production of affordable housing units pursuant to Section 33413 of the California Health and Safety Code.

**NOW, THEREFORE**, each of the Agency and the Developer (as owner of real property interests described hereinabove) declare that the Site shall be held, transferred, encumbered, used, sold, conveyed, leased and occupied subject to the Covenants, Conditions and Restrictions hereinafter set forth expressly and exclusively for the use and benefit of said property, and the Agency. Each and all of the restrictions, limitations, conditions, covenants, liens, reservations and charges herein contained shall run with the land and be recorded on the property title and shall be binding on Declarant, its grantees, successors, heirs, executors, administrators, devisees or assigns, and all subsequent owners of all or any part of the Site.

## **ARTICLE I** **DEFINITIONS**

The definitions provided herein shall be applicable to this Declaration and also to any amendment or supplemental Declaration (unless the context implicitly or explicitly shall prohibit), recorded against the Site pursuant to the provision of this Declaration.

Section 1.     **"Affordable Housing Project"** means an affordable housing project operated in conformity with this Regulatory Agreement throughout the Required Covenant Period.

Section 2.     **"Affordable Rent"** has the meaning set forth in Health and Safety Code Section 50053. For a Very Low Income Household, Affordable Rent means a monthly rent which does not exceed one twelfth (1/12th) of thirty percent (30%) of fifty percent (50%) of the Median Income for the Area for a household size appropriate to the unit. "Household size appropriate to the unit," as used herein, means two persons for each one-bedroom unit (if any), and three persons for each two bedroom unit. The maximum monthly rental amount of the units shall be adjusted annually by the formula set forth above upon the promulgation of revised Riverside-San Bernardino Primary Metropolitan Statistical Area median income figures by regulation of the California Department of Housing and Community Development. Actual rent charged may be less than such maximum rent.

Section 3.     **"Agency"** means the Redevelopment Agency for the County of Riverside and its successors in interest.

Section 4.     **"Area"** means the Riverside-San Bernardino Primary Metropolitan Statistical Area, as periodically defined by HUD.

Section 5.     **"Calculation of Affordable Rents"** means the worksheet substantially in the form of Attachment No. 7 to the AHA.

Section 6.     **"Certificate"** or **"Certification"** is defined in Section 3(a).

Section 7.     **"County"** means and refers to the County of Riverside, a political subdivision of the State of California.

Section 8.     **"County Ordinances"** means and refers to the County of Riverside County Ordinances as revised from time to time.



Section 9. “Gross Income” means all payments from all sources received by a person (together with the gross income of all persons of the age of 18 years or older who intend to reside with such person in one residential unit) whether in cash or in kind as calculated pursuant to the Department of Housing and Urban Development (“HUD”) Regulations (24 C.F.R. § 813) in effect as of the Date of Agreement.

Section 10. “Housing Project” means sixteen (16) supportive housing unit residential rental development, that will include one (1) manager’s unit, to be constructed on the Site under the AHA.

Section 11. Lower Income Household means a household earning not greater than sixty percent (60%) of median income for the Area as set forth by regulation of the California Department of Housing and Community Development, pursuant to Health and Safety Code Section 50079.5.

Section 12. “Median Income for the Area” means the median income for the Area as most recently determined by the Secretary of Housing and Urban Development under Section 8 of the United States Housing Act of 1937, as amended, or, if programs under Section 8 are terminated, Median Income for the Area determined under the method used by the Secretary prior to such termination.

Section 13. “Prescribed Rent Levels” means rent that is Affordable Rent as follows: (a) for Very Low Income Households for the following units, as indicated by number of bedrooms: (i) sixteen (16) affordable housing units including one managers unit. Rent is not required to be Affordable Rent as to one manager’s unit.

Section 14. “Regulatory Agreement” means this Regulatory Agreement and any amendments, modifications or supplements which may also be referred to herein as these “CC&Rs” or this “Declaration”.

Section 15. “Required Affordable Unit” means a dwelling unit in the Housing Project and available to, occupied by, or held vacant for occupancy only by tenants qualifying as Very Low Income Households and rented at Affordable Rent conforming to the Prescribed Rent Levels.

Section 16. “Required Covenant Period” means a period of fifty-five (55) years commencing as of the issuance of a final certificate of occupancy for all of the Units and continuing until the fifty-sixth (56<sup>th</sup>) anniversary thereof.

Section 17. “Household” means a qualified low income household, as defined by California Health and Safety Code Section 50079.5 and 50105.

Section 18. “Site” means all of the real property and appurtenances as described above, including all structures and other improvements thereon, and those hereafter constructed.

Section 19. “Unit” means a dwelling unit on the Housing Project.

Section 20. “Very Low Income Households” means Very Low Income Households whose Adjusted Income does not exceed fifty percent (50%) of Median Income for the Area as determined by the United States Department of Housing and Urban Development from time to time and as set forth in Health and Safety Code Section 50105.

Section 21.     “Year” means a calendar year.

**ARTICLE II**  
**LAND USE RESTRICTIONS; IMPROVEMENTS**

Section 1.     Uses. The Developer shall develop the Approved Housing Project on the Site in conformity with the AHA. Thereafter, the Site shall be operated as an Affordable Housing Project and devoted only to the uses specified in this Regulatory Agreement for the periods of time specified herein. All uses conducted on the Site, including, without limitation, all activities undertaken by the Developer pursuant to the AHA, shall conform to all applicable provisions of the County Ordinances and the County Approvals.

Developer agrees to reserve one hundred percent (100%) of the total rental units, or 15 units, for Very Low Income households. Such units (“Assisted Units”) shall be limited to Very Low-Income households that do not exceed fifty percent (50%) area median income for the County, adjusted by family size at the time occupancy, as defined by California Health and Safety Code Sections 50079.5 and 50105.

Section 2.     Affordable Housing.

*Number of Units.* Throughout the Required Covenant Period, not less than fifteen (15) supportive housing units shall be rented to and occupied by Very Low Income Households. Required Affordable Units shall be continuously occupied by or held available for occupancy by Very Low Income Households at Affordable Rent. All Affordable Units shall be rented at Affordable Rent. For this purpose, a tenant who qualifies as a Very Low Income Household at the time he or she first occupies an Affordable Unit shall be deemed to continue to be so qualified until such time as a recertification of such individual’s or family’s income in accordance with Section 3 below demonstrates that such individual or family no longer qualifies as a Very Low Income Household. Moreover, a unit previously occupied by a Very Low Income Household, and then vacated shall be considered occupied by such Very Low Income Household until reoccupied, other than for a temporary period, at which time the character of the unit shall be redetermined. In no event shall such temporary period exceed thirty-one (31) days.

At such time as a tenant ceases to qualify as a Very Low Income Household, the unit occupied by such tenant shall cease to be a Very Low Income Unit. The Developer shall replace each such Very Low Income Unit by designating the next available unit and any necessary units thereafter as a Very Low Income Unit. For purposes of this Agreement, such designated unit will be considered a Very Low Income Unit if it is held vacant and available for occupancy by a Very Low Income Household, and, upon occupancy, the income eligibility of the tenant as a Very Low Income Household is verified and the unit is rented at Affordable Rent. All units except the one manager’s unit are Very Low Income units.

In the event a household’s income initially complies with the corresponding income restriction for a Very Low Income Household but the income of such household increases, such increase shall not be deemed to result in a violation of the restrictions of this Regulatory Agreement concerning limitations upon income of occupants, provided that the occupancy by such household is for a reasonable time of not to exceed one year (measured from the time the income of the household ceases to qualify at the designated affordability level). The Developer shall include in its rental

agreements provisions which implement this requirement and limitation, and the Developer shall expressly inform prospective renters as to this limitation prior to the commencement of a tenancy.

*Duration of Affordability Requirements.* The Required Affordable Units shall be available to and occupied by Very Low Income Households at Affordable Rent throughout the Required Covenant Period. All tenants residing in the Affordable Units during the last two (2) years of the Required Covenant Period shall be given notice by the Developer at least once every six (6) months prior to the expiration date of this requirement, that the rent payable on the Affordable Unit may be raised to a market rate rent at the end of the Required Covenant Period.

*Selection of Tenants.* As specified hereinbelow, Developer shall demonstrate to the Agency that the proposed tenants of each of the Required Affordable Units constitutes a Very Low Income Household.

Prior to the rental or lease of an Required Affordable Unit to a tenant, and as set forth in this Section 2 of Article II of this Declaration, the Developer shall require the tenant to execute a written lease and to complete an Income Verification certifying that the tenant(s) occupying the Required Affordable Unit is/are a Very Low Income and meet(s) the eligibility requirements established for the Required Affordable Unit. The Developer shall verify the income of the tenant(s).

The Developer shall accept as tenants on the same basis as all other prospective tenants, persons who are recipients of federal certificates for rent subsidies pursuant to the existing program under Section 8 of the United States Housing Act of 1937, or its successor. The Developer shall not apply selection criteria to Section 8 certificate holders which are more burdensome than criteria applied to any other prospective tenants.

*Determination of Affordable Rent for the Affordable Units.* The Affordable Units shall be rented or leased at Affordable Rent. As of the approval of the AHA, Affordable Rent is calculated in accordance with the Calculation of Affordable Rent. The maximum monthly rental for the Affordable Unit shall be adjusted annually as permitted pursuant to the Calculation of Affordable Rent.

THE DEVELOPER UNDERSTANDS AND KNOWINGLY AGREES THAT THE MAXIMUM RENTAL FOR THE AFFORDABLE UNITS ESTABLISHED BY THE AHA, THIS REGULATORY AGREEMENT IS SUBSTANTIALLY BELOW THE FAIR MARKET RENT FOR THE AFFORDABLE UNITS.

Section 3. Developer Verification and Program Compliance.

*Income Verification and Certification.* The Developer will obtain and maintain on file an Income Verification from each tenant, dated immediately prior to the initial occupancy of such tenant in the Housing Project.

On March 31<sup>st</sup> commencing the year in which the Certificate of Completion is issued and annually thereafter each March during the Required Covenant Period, the Developer shall file with the Agency or its designee a Certificate, containing all information required pursuant to Health and Safety Code Section 33418, in a form prescribed by the Agency. Each Certificate shall cover the immediately preceding fiscal year.

*Reporting Amounts.* Agency is required by Section 33418 of the California Health and Safety Code to require Developer to monitor the Affordable Units and submit the annual reports required by Section 3 of Article II of this Declaration. The Agency relies upon the information contained in such reports to satisfy its own reporting requirements pursuant to Sections 33080 and 33080.1 of the California Health and Safety Code. In the event the Developer fails to submit to the Agency or its designee the Certification as required by this Section 3, the Developer shall be in noncompliance with this Regulatory Agreement. In the event the Developer remains in noncompliance for thirty (30) days following receipt of written notice from the Agency of such noncompliance under Sections 3(a) and 3(b) of Article II hereinabove, then the Developer shall, without further notice or opportunity to cure, pay to the Agency Two Hundred Fifty Dollars (\$250.00) per Required Affordable Unit for each year Developer fails to submit a Certificate covering each and every housing unit on the Site.

Section 4. Nondiscrimination. The Developer shall refrain from restricting the rental, sale or lease of the Site, or any portion thereof, on the basis of race, color, creed, religion, sex, marital status, national origin or ancestry of any person. Agency and Developer acknowledge supportive housing sometimes has unique requirements. For instance, housing for homeless youth may offer services exclusively to persons 24 years of age or younger pursuant to Section 11139.3 of the Government Code, on the basis of age. All such deeds, leases or contracts shall contain or be subject to substantially the following nondiscrimination or nonsegregation clauses:

(1) In deeds: "The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises herein conveyed, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land."

(2) In leases: "The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators, and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

"That there shall be no discrimination against or segregation of any person or group of persons, on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the premises herein leased nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees in the premises herein leased."

(3) In contracts: "There shall be no discrimination against or segregation of, any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of

the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises which are the subject of this Agreement, nor shall the grantee or any person claiming under or through him or her, establish or permit any practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the premises herein conveyed. The foregoing covenants shall run with the land.”

The covenants established in this Declaration and the deeds of conveyance for the Site shall, without regard to technical classification and designation, be binding for the benefit and in favor of the Agency, its successors and assigns, the County and any successor in interest to the Site, together with any property acquired by the Developer pursuant to this Agreement, or any part thereof. The covenants against discrimination as set forth in this Section 4 of Article II shall remain in effect in perpetuity.

Section 5.     Maximum Occupancies. No persons shall be permitted to occupy any unit within the Housing Project in excess of applicable limit of maximum occupancy set by County Ordinances and the laws of the State of California.

Section 6.     Compliance with Laws. The Developer shall comply with all applicable laws in connection with the development and use of the Site, including without limitation the California Community Redevelopment Law (Health and Safety Code section 33000, *et seq.*) and Fair Housing Act (42 U.S.C. § 3601, *et seq.*, and 24 C.F.R. § 100.300, *et seq.*). The Developer is a sophisticated party, with substantial experience in the acquisition, development, financing, obtaining financing for, marketing, and operation of affordable housing projects, and with the negotiation, review, and preparation of agreements and other documents in connection with such activities. The Developer is familiar with and has reviewed all laws and regulations pertaining to the acquisition, development and operation of the Housing Project and has obtained advice from any advisers of its own choosing in connection with this Agreement.

### **ARTICLE III** **ENFORCEMENT**

Section 1.     Remedies. Breach of the covenants contained in the Declaration may be enjoined, abated or remedied by appropriate legal proceeding by the Agency or County.

This Declaration does not in any way infringe on the right or duties of the County of Riverside to enforce any of the provisions of the County Ordinances including, but not limited to, the abatement of dangerous buildings.

Section 2.     Nuisance. The result of every act or omission whereby any of the covenants contained in this Declaration are violated in whole or in part is hereby declared to be and constitutes a nuisance, and every remedy allowable at law or equity, against a nuisance, either public or private, shall be applicable against every such result and may be exercised by any owner or its successors in interest, without derogation of the County’s rights under law.

Section 3. Cumulative Remedies. The remedies herein provided for breach of the covenants contained in this Declaration shall be deemed cumulative, and none of such remedies shall be deemed exclusive.

Section 4. Failure to Enforce. The failure to enforce any of the covenants contained in this Declaration shall not constitute a waiver of the right to enforce the same thereafter.

Section 5. Enforcement and Nonliability. The County or Agency may from time to time make such efforts, if any, as it shall deem appropriate enforce and/or assist in enforcing this Declaration. However, neither the Agency nor the County will be subject to any liability for failure to affirmatively enforce any provision of this Declaration.

#### **ARTICLE IV** **GENERAL PROVISIONS**

Section 1. Covenant Against Partition. By acceptance of its interest in the Site, the Developer shall be deemed to covenant for itself and for its heirs, representatives, successors and assigns, that it will not institute legal proceedings or otherwise seek to effect partition of its right and interest in the interest being conveyed to the Developer, or the burdens running with the land as a result of this Regulatory Agreement.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in all force and effect.

Section 3. Term. This Declaration shall run with and bind the interest of the Developer in the Site, and shall inure to the owner(s) of any property subject to this Declaration, his legal representatives, heirs, successors and assigns, and as provided in Article IV, Sections 2 and 3, be enforceable by the County, for a term equal to the Required Covenant Period as defined in the AHA, provided; however, that the covenants regarding nondiscrimination set forth in Section 4 of Article II of this Declaration shall remain in effect for perpetuity.

Section 4. Nonrecourse. Liabilities of the Developer to make payments hereunder shall be nonrecourse.

Section 5. Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development and operation of rental housing available at Affordable Rent for Very Low Income Households and Lower Income Households. The article and section headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.

The Developer shall be obligated by this Declaration to comply with the provisions hereof, as well as the provisions of the Agency Deed, and the Tax Credit Regulatory Agreement. In the event of conflict, the Developer shall comply with the most stringent requirements, in each case.

Section 6. Enforced Delay; Extension of Times of Performance. Performance hereunder shall not be deemed to be in default, and all performance and other dates specified in this Regulatory Agreement shall be extended, where delays or defaults are due to: war; insurrection; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; acts or omissions of another

party, or acts or failures to act of the County or any other public or governmental agency or entity. Notwithstanding anything to the contrary in this Regulatory Agreement, an extension of time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the party claiming such extension is sent to the other parties, the Agency and the County, within thirty (30) days of the commencement of the cause. Times of performance under this Regulatory Agreement may also be extended in writing by the mutual agreement of the Agency, the County and the Developer to be given or withheld at the sole discretion of each respective party. The failure of the Developer to obtain financing for development or repairs shall not constitute grounds for enforced delay hereunder.

Section 7.     Amendments. This Declaration may be amended only by the written agreement of the Developer, the Agency and the County.

Section 8.     Encroachments. None of the rights and obligations of the Developer created herein shall be altered in any way by encroachments due to settlement or shifting of structures or any other cause. There shall be valid easements for the maintenance of said encroachments so long as they shall exist; provided, however, that in no event shall a valid easement for encroachment be created in favor of Developer if said encroachment occurs due to the willful conduct of said Developer.

Section 9.     Notices. Any notice permitted or required to be delivered as provided herein to Developer shall be in writing and may be delivered either personally or by certified mail. Notice to the Agency shall be made by certified mail to the Executive Director or his designee at 1325 Spruce Street, Suite 400, Riverside, California 92507, and shall be effective upon receipt. Notice to Developer shall be made by certified mail to Operation Safe House, Inc., a California nonprofit public corporation, 9685 Hayes, Riverside, California 92503, Attention: Executive Director, and shall be effective upon receipt. Such address may be changed from time to time by notice in writing.

**END OF AGREEMENT**  
**(SIGNATURES ON NEXT PAGE)**

STATE OF CALIFORNIA

COUNTY OF RIVERSIDE

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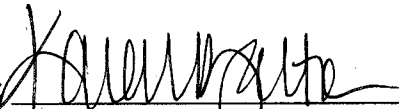
On June 14, 2011, before me, Karen Barton, Board Assistant, personally appeared Bob Buster, Chairman of the Redevelopment Agency Board of Directors, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument; and that a copy of this paper, document or instrument has been delivered to the chairperson.

I certify under the 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

Kecia Harper-Ihem  
Clerk of the Board of Supervisors

By:



Deputy Clerk


(SEAL)



IN WITNESS WHEREOF, the Agency and the Developer have executed this First Amendment as of the date first above written.

REDEVELOPMENT AGENCY FOR  
THE COUNTY OF RIVERSIDE  
a public body, corporate and politic

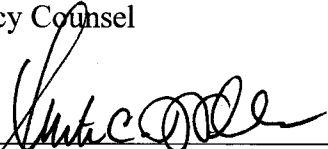
OPERATION SAFE HOUSE, INC.  
a California nonprofit public benefit corporation

By:   
BOB BUSTER  
Chairman, Board of Directors

By:   
KATHY MCADARA  
Executive Director

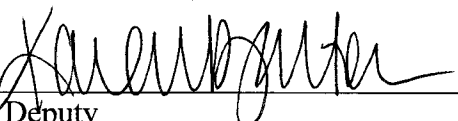
APPROVED AS TO FORM:

PAMELA J. WALLS  
Agency Counsel

By:   
Deputy, Anita Willis

ATTEST:

KECIA HARPER-IHEM  
Clerk of the Board

By:   
Deputy

(signatures on this page need to be notarized)

STATE OF CALIFORNIA

COUNTY OF RIVERSIDE

} §

On June 14, 2011, before me, Karen Barton, Board Assistant, personally appeared Bob Buster, Chairman of the Redevelopment Agency Board of Directors, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument; and that a copy of this paper, document or instrument has been delivered to the chairperson.

I certify under the 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

Kecia Harper-Ihem  
Clerk of the Board of Supervisors

By:

  
Deputy Clerk

(SEAL)

## EXHIBIT "A" TO ATTACHMENT NO. 5

### LEGAL DESCRIPTION

APN: 650-131-018

THAT PORTION OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 18, TOWNSHIP 4 SOUTH, RANGE 6 EAST, SAN BERNARDINO MERIDIAN, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.

COMMENCING AT THE NORTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 18;  
THENCE SOUTH 89 DEG. 40' 40" WEST, ALONG THE NORTHERLY LINE OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 18, A DISTANCE OF 297.40 FEET TO THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE CONVEYED;  
THENCE SOUTH 00 DEG. 01' 30" WEST, A DISTANCE OF 208.70 FEET;  
THENCE SOUTH 89 DEG. 40' 40" WEST, A DISTANCE OF 100.00 FEET TO A POINT ON THE EASTERLY LINE OF LOT 41, WELCOME HOMESTEAD TRACT AS SHOWN BY MAP ON FILE IN BOOK 31, PAGE 41 OF MAPS, RECORDS OF THE RECORDER OF RIVERSIDE COUNTY, CALIFORNIA;  
THENCE NORTH 00 DEG. 01' 30" EAST, ALONG THE EASTERLY LINE OF SAID LOT 41 AND CONTINUING NORTH 00 DEG. 01' 30" EAST ALONG THE EASTERLY LINES OF LOTS 42 AND LOT A AS SAID LOTS ARE SHOWN ON SAID MAP, A DISTANCE OF 208.70 FEET TO THE NORTHEAST CORNER OF SAID LOT A, SAID NORTHEAST CORNER BEING A POINT ON THE NORTHERLY LINE OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 18;  
THENCE NORTH 89 DEG. 40' 40" EAST, ALONG SAID NORTHERLY LINE, A DISTANCE OF 100 FEET TO THE POINT OF BEGINNING.

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT**

STATE OF CALIFORNIA }

COUNTY OF Riverside }

On June 2, 2011, before me, Melissa A. Barnes, Notary Public

Date

Here Insert Name and Title of the Officer

personally appeared Kathy McAdara

Name(s) of Signer(s)

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.

Signature [Signature]

Signature of Notary Public

Place Notary Seal Above

STATE OF CALIFORNIA                                 }  
COUNTY OF \_\_\_\_\_                                 }

Date \_\_\_\_\_ Here Insert Name and Title of the  
Officer \_\_\_\_\_

Name(s) of Signer(s)

Signature \_\_\_\_\_

Signature of Notary Public

## ATTACHMENT NO. 6

### AGENCY DEED

NO FEE FOR RECORDING PURSUANT  
TO GOVERNMENT CODE SECTION 6103

RECORDING REQUESTED BY AND  
WHEN RECORDED MAIL TO:

Redevelopment Agency for  
the County of Riverside  
3403 10<sup>th</sup> Street, Suite 500  
Riverside, California 92501  
Attention: Lorena Oseguera

This document is exempt from payment of a recording fee pursuant  
to government Code Section 27383.

### GRANT DEED

For valuable consideration, receipt of which is hereby acknowledged,

The **REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE**, a public body, corporate and politic (the "Agency"), effective as of June 2, 2011, hereby grants to **OPERATION SAFE HOUSE, INC.**, a California nonprofit public benefit corporation ("Developer" or "Grantee"), the real property described in Exhibit A attached hereto and incorporated herein (the "Property"), subject to existing easements, restrictions and covenants of record, the provisions set forth in Sections 1 through 3 hereof and the requirements of the Disposition and Development/Affordable Housing Agreement, including any amendments thereto (the "AHA"), between the parties, dated as of June 2, 2011. All capitalized terms not defined herein shall have the respective meanings established therefor in the AHA.

**1. Agency Reversionary Interest.** The title, possession and all rights to the Property shall revert to Agency in the event Developer fails to fully satisfy the provisions set forth in Section 3.2 of the AHA, entitled, Agency Conditions After Closing, within 18 months of the date of this Grant Deed. Developer shall not draw funds from the United States Department of Housing and Urban Development ("HUD") without the prior written consent of the Agency; nor shall Developer cause or allow any liens, deeds of trust or other encumbrances on the Property without the prior written consent of the Agency.

Upon the happening of any failure by Developer to fully satisfy and/or comply with the aforementioned conditions as set forth in this Section 1, title to the Property shall revert to Agency and Agency shall have the right to re-enter and take possession of the Property and the estate

conveyed to the Developer pursuant to this Grant Deed which shall be vested in the Agency as set forth herein based upon its reversionary interest and right to retake title and possession.

**2. Agency Right of Reentry.** The Agency has the right, at its election, to reenter and take possession of the Property, with all improvements thereon, and terminate and revest in the Agency the estate conveyed to the Developer if after the Closing and before the funding of the Construction Financing, the Developer (or its successors in interest) shall:

(a) fail to start the construction of the Improvements as required by the AHA for a period of ninety (90) days after written notice thereof from the Agency; or

(b) abandon or substantially suspend construction of the Improvements required by the AHA for a period of ninety (90) days after written notice thereof from the Agency; or

(c) contrary to the provisions of Section 6.3 of the AHA transfer or suffer any involuntary Transfer in violation of the AHA, and such Transfer has not been approved by the Agency or rescinded within thirty (30) days of notice thereof from Agency to Developer.

Such right to reenter, terminate and revest shall be subject to and be limited by and shall not defeat, render invalid or limit:

1. Any mortgage or deed of trust permitted by the AHA; or
2. Any rights or interests provided in the AHA for the protection of the holders of such mortgages or deeds of trust.

Upon the revesting in the Agency of title to the Property as provided in Section 1 or this Section 2, the Agency shall, pursuant to its responsibilities under state law, use its reasonable efforts to resell the Property as soon and in such manner as the Agency shall find feasible and consistent with the objectives of such law and of the Redevelopment Plan, as it exists or may be amended, to a qualified and responsible party or parties (as determined by the Agency) who will assume the obligation of making or completing the Improvements, or such improvements in their stead as shall be satisfactory to the Agency and in accordance with the uses specified for such Property or part thereof in the Redevelopment Plan. Upon such resale of the Property, the net proceeds thereof after repayment of any mortgage or deed of trust encumbering the Property which is permitted by this Agreement, shall be applied:

i. First, to reimburse the Agency, on its own behalf or on behalf of the County, all costs and expenses incurred by the Agency, excluding County and Agency staff costs, but specifically, including, without limitation, any expenditures by the Agency or the County in connection with the recapture, management and resale of the Property or part thereof (but less any income derived by the Agency from the Property or part thereof in connection with such management); all taxes, assessments and water or sewer charges with respect to the Property or part thereof which the Developer has not paid (or, in the event that Property is exempt from taxation or assessment of such charges during the period of ownership thereof by the Agency, an amount, if paid, equal to such taxes, assessments, or charges as would have been payable if the Property were not so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the Property or part thereof at the time or revesting of title thereto in the Agency, or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to

obligations, defaults or acts of the Developer, its successors or transferees; any expenditures made or obligations incurred with respect to the making or completion of the improvements or any part thereof on the Property, or part thereof; and any amounts otherwise owing the Agency, and in the event additional proceeds are thereafter available, then

ii. Second, to reimburse the Developer, its successor or transferee, up to the amount equal to the sum of (a) the costs incurred for the acquisition and development of the Property and for the improvements existing on the Property at the time of the reentry and possession, less (b) any gains or income withdrawn or made by the Developer from the Property or the improvements thereon.

Any balance remaining after such reimbursements shall be retained by the Agency as its property. The rights established in Sections 1 and 2 of this Grant Deed are not intended to be exclusive of any other right, power or remedy, but each and every such right, power, and remedy shall be cumulative and concurrent and shall be in addition to any other right, power and remedy authorized herein or now or hereafter existing at law or in equity. These rights are to be interpreted in light of the fact that the Agency will have conveyed the Property to the Developer for redevelopment purposes, particularly for development of an affordable senior housing project, and not for speculation in undeveloped land.

3. Upon issuance by the Agency of the Certificate of Completion, Sections 1 and 2 hereof shall cease to be of further force and effect.

IN WITNESS WHEREOF, the Agency and the Developer have executed this Agreement as of the date first above written.

AGENCY

Redevelopment Agency for the  
County of Riverside

By: Bob Buster  
BOB BUSTER  
Chairman, Board of Directors

ACKNOWLEDGMENT BY GRANTEE

Operation Safe House, Inc.  
a California nonprofit public benefit corporation

By: Kathy McAdara  
Kathy McAdara, Executive Director

APPROVED AS TO FORM:

PAMELA J. WALLS  
AGENCY Counsel

By: Anita C. Willis  
Deputy, Anita C. Willis

ATTEST:

KECIA HARPER-IHEM  
Clerk of the Board

By: Karla B. Bunker  
Deputy



STATE OF CALIFORNIA

COUNTY OF RIVERSIDE

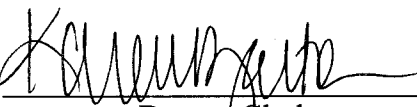
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On June 14, 2011, before me, Karen Barton, Board Assistant, personally appeared Bob Buster, Chairman of the Redevelopment Agency Board of Directors, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument; and that a copy of this paper, document or instrument has been delivered to the chairperson.

I certify under the 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

Kecia Harper-Ihem  
Clerk of the Board of Supervisors

By:   
Deputy Clerk

(SEAL)

**EXHIBIT "A" TO ATTACHMENT NO. 6**

**LEGAL DESCRIPTION OF PROPERTY**

That real property located in the State of California, County of Riverside, and described as follows:

APN: 650-131-018

**THAT PORTION OF THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 18, TOWNSHIP 4 SOUTH, RANGE 6 EAST, SAN BERNARDINO MERIDIAN, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT THEREOF.**

**COMMENCING AT THE NORTHEAST CORNER OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 18;  
THENCE SOUTH 89 DEG. 40' 40" WEST, ALONG THE NORTHERLY LINE OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 18, A DISTANCE OF 297.40 FEET TO THE TRUE POINT OF BEGINNING OF THE PARCEL OF LAND TO BE CONVEYED;  
THENCE SOUTH 00 DEG. 01' 30" WEST, A DISTANCE OF 208.70 FEET;  
THENCE SOUTH 89 DEG. 40' 40" WEST, A DISTANCE OF 100.00 FEET TO A POINT ON THE EASTERLY LINE OF LOT 41, WELCOME HOMESTEAD TRACT AS SHOWN BY MAP ON FILE IN BOOK 31, PAGE 41 OF MAPS, RECORDS OF THE RECORDER OF RIVERSIDE COUNTY, CALIFORNIA;  
THENCE NORTH 00 DEG. 01' 30" EAST, ALONG THE EASTERLY LINE OF SAID LOT 41 AND CONTINUING NORTH 00 DEG. 01' 30" EAST ALONG THE EASTERLY LINES OF LOTS 42 AND LOT A AS SAID LOTS ARE SHOWN ON SAID MAP, A DISTANCE OF 208.70 FEET TO THE NORTHEAST CORNER OF SAID LOT A, SAID NORTHEAST CORNER BEING A POINT ON THE NORTHERLY LINE OF SAID SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SAID SECTION 18;  
THENCE NORTH 89 DEG. 40' 40" EAST, ALONG SAID NORTHERLY LINE, A DISTANCE OF 100 FEET TO THE POINT OF BEGINNING.**

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF CALIFORNIA }

COUNTY OF Riverside }

On June 2, 2011, before me, Melissa A Barnes, Notary Public

Date

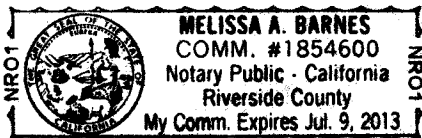
Here Insert Name and Title of the

Officer

personally appeared Kathy McAdara

Name(s) of Signer(s)

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.

Signature

Signature of Notary Public

Place Notary Seal Above

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT**

STATE OF CALIFORNIA }

COUNTY OF \_\_\_\_\_ }

On \_\_\_\_\_, before me, \_\_\_\_\_

Date

Here Insert Name and Title of the

Officer

personally appeared \_\_\_\_\_

Name(s) of Signer(s)

\_\_\_\_\_

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.

Signature \_\_\_\_\_

Place Notary Seal Above

Signature of Notary Public

## **ATTACHMENT NO. 9**

### **SCOPE OF DEVELOPMENT**

#### **I. GENERAL DESCRIPTION**

The Site is specifically delineated on the Site Map and the Legal Description of the Site.

#### **II. DEVELOPMENT**

##### **A. Project Site Development:**

The Developer shall construct sixteen (16) housing units on the Site, together with all on-site and off-site features described in this Scope of Development (as presented to the Board of Supervisors of the County on March 23, 2010, including without limitation landscaping and all off-sites and improvements required under the County approvals for the Development, including zoning, general plan, environmental clearance and all conditions of approval thereunder. All such improvements collectively constitute the "Improvements."

The quality of construction shall be of a high level. The Improvements shall conform to the approved plans on file with the Agency as of the Date of the Agreement as supplemented by the Construction Drawings (the "Approved Plans"), including all conditions and mitigation measures imposed by the County in connection with the development approval process.

The Developer shall commence and complete the Improvements by the respective times established therefor in the Schedule of Performance.

##### **B. Adjoining building for service providers:**

The Developer shall include an adjoining building with offices for service providers into the Housing Project, hereafter referred to as "Services Building". The Services Building is necessary to provide essential supportive services to the residents of the Housing Project. The Services Building has been identified by Developer as a portion of current Assessors Parcel Number 650-131-003 which will be subdivided into a condominium map to identify more specifically the Services Building on a separate parcel number. The Services Building is not included as part of the Project Site, but rather, is included as a part of the requirement to provide services for the residents of the Housing Project.

#### **III. DEVELOPMENT STANDARDS**

The Improvements shall conform to all applicable state laws and regulations and to local zoning, applicable provisions of the County Ordinances of the County of Riverside (the "County Ordinances") and the following development standards:

**A. General Requirements:**

1. **Vehicular Access.** The placement of vehicular driveways shall be coordinated with the needs of proper street traffic flow as approved by the County. In the interest of minimizing traffic congestion, the County will control the number and location of curb breaks for access to the Site for off-street parking and truck loading. All access driveways shall require written approval of the County staff.

2. **Building Signs.** Signs shall be limited in size, subdued and otherwise designed to contribute positively to the environment. Signs identifying the building use will be permitted, but their height, size, location, color, lighting and design will be subject to County staff approval, and signs must conform to the County Ordinances.

3. **Screening.** All outdoor storage of materials or equipment shall be enclosed or screened to the extent and in the manner required by the County staff.

4. **Landscaping.** The Developer shall provide and maintain landscaping within the public rights-of-way and within setback area along all street frontages and conforming with the plans as hereafter approved by the County. Landscaping shall consist of trees, shrubs and installation of an automatic irrigation system adequate to maintain such plant material. The type and size of trees to be planted, together with a landscaping plan, shall be subject to the County staff approval prior to planting.

5. **Utilities.** All utilities on the Site provided to service the units constructed by the Developer shall be underground at Developer's expense.

6. **Building Design.** Buildings shall be constructed such that the Improvements shall be of high architectural quality, and shall be effectively and aesthetically designed and in conformance with County approvals.

7. **Mitigation Measures.** Mitigation measures approved for the Development under the California Environmental Quality Act (CEQA).

**B. Design Features:**

The following design features are considered essential components to the Improvements:

Handicapped Units – An agreed upon number of units are to be fully handicapped accessible in compliance with State Housing Code – Title 24 requirements.

Fencing – The building shall be completely gated around the exterior, but not fully from the existing contiguous Operation Safe House, Inc. campus.

Overall Design Quality, Materials, Colors, Design Features – Quality of design is important, materials and colors are to be approved by County.

Housing Type – Sixteen (16) supportive housing units a manager's unit; unit mix is subject to modification if approved in writing by the Agency.

Mobility/Agency – All facilities shall comply, to the extent feasible, with “New Horizon Accessible, Adaptable Apartments for the Physically Disabled” published by HCD dated July 1989, and shall comply with those portions of Title 24 of the California Code of Regulations that have been adopted by the HCD relating to handicapped units, and the requirements of the federal Department of Housing and Urban Development, Part VI, 24 C.F.R. Ch. 1, Vol. 56, No. 44, as published in the Federal Register March 6, 1991.

#### **IV. DEMOLITION AND SOILS**

Except to the extent otherwise expressly provided in the AHA, the Developer assumes all responsibility for surface and subsurface conditions at the Site, and the suitability of the Site for the Improvements. The Developer has undertaken all investigation of the Site as it shall deem necessary and has not received or relied upon any representations of the Agency, the County, or their respective officers, agents and employees.

#### **V. SPECIAL AMENITIES**

The Developer shall undertake all improvements required by the County as a condition of development of the Site, as more particularly provided in the County approvals given for the Site.