

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

416



FROM: Housing Authority

SUBMITTAL DATE:
September 11, 2014

SUBJECT: Approve and Authorize the Housing Authority of the County of Riverside to Apply for the Rental Assistance Demonstration Program sponsored by the U.S. Department of Housing and Urban Development, All Districts, [\$0]

RECOMMENDED MOTION: That the Board of Commissioners:

1. Approve and authorize the Housing Authority of the County of Riverside (HACR) to apply for the Rental Assistance Demonstration (RAD) Program, sponsored by the U.S. Department of Housing and Urban Development (HUD), which provides public housing agencies such as HACR access to financing tools necessary to rehabilitate, improve and preserve public and assisted affordable housing;

(Continued)

Robert Field
Executive Director

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: N/A

Budget Adjustment: No

For Fiscal Year: 2014/15

C.E.O. RECOMMENDATION:

APPROVE

BY:

Rohini Dasika

County Executive Office Signature

MINUTES OF THE HOUSING AUTHORITY BOARD OF COMMISSIONERS

On motion of Supervisor Stone, seconded by Supervisor Ashley and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Stone and Ashley
Nays: None
Absent: Benoit
Date: September 23, 2014
xc: Housing

Kecia Harper-Ihem
Clerk of the Board

By:
Deputy

Prev. Agn. Ref.:

District: ALL

Agenda Number:

10-1

FORM APPROVED COUNTY COUNSEL 8/27/14
DATE
BY: GREGORY P. PRIAMOS

Departmental Concurrence

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

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

Housing Authority

FORM 11: Approve and Authorize the Housing Authority of the County of Riverside to Apply for the Rental Assistance Demonstration Program sponsored by the U.S. Department of Housing and Urban Development, All Districts, [\$0]

DATE: September 11, 2014

PAGE: 2 of 3

RECOMMENDED MOTION: (Continued)

2. Authorize the Executive Director, or designee, to sign the attached HUD Public Housing Program Applications, including the Board Approval Forms; and
3. Authorize the Executive Director, or designee, to take all necessary steps to apply for the RAD Program, and sign any additional documents required by HUD, subject to approval by County Counsel.

BACKGROUND:

Summary

The Housing Authority of the County of Riverside (HACR) currently owns and operates 469 units of affordable housing within the County of Riverside. Funding to maintain these units is derived from 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 HACR 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 of the Department of Housing and Urban Development (HUD). RAD seeks to preserve public housing by providing Public Housing Agencies (PHA), such as HACR, with access to more stable funding to make needed improvements to properties. RAD provides PHAs a way to rehabilitate, or repair, units without depending on additional money from the public sector. There are two components to RAD. The first component, Project-Based Vouchers (PBVs), allows projects funded under the Public Housing Program to convert their assistance to long-term, project-based Section 8 rental assistance contracts. The second component, Section 8 project-based rental assistance (PBRA), allows Rent Supplement (Rent Supp), Rental Assistance Payment (RAP), and Mod Rehab properties to convert tenant-based vouchers issued upon contract expiration or termination to project-based assistance. In all, RAD offers several options for preserving affordable housing that allow properties to leverage private capital; demolish, dispose and convert units to tenant protection vouchers; revitalize with Hope VI/Choice Neighborhoods funding; or sustain current appropriations and reserves for future modernization needs. There is no HUD imposed fee to apply to the RAD Program. Before PHAs can apply to participate in RAD, HUD requires them to, (i) notify all residents in a development proposed for RAD conversion about their plans; and (ii) conduct at least two meetings with those residents. The PHA is required to submit all comments and its response to such comments as part of the RAD application. HACR held meetings on July 21, 2014 and July 28, 2014 with residents of the developments proposed for RAD conversion. A copy of the meeting notice and resident comments are attached hereto as Attachments D and E respectively.

To assist with the RAD application process, HACR procured Recap Real Estate Advisors (RREA) to provide guidance through a feasibility analysis, and ensure completeness and submission of three applications representing three asset management projects (compilation of HACR owned sites and projects) approved by HUD comprised of 469 units. The feasibility study prepared by RREA suggested that the best approach would be to do a straight RAD conversion with no debt or investor equity where the HACR would fund capital needs for upfront capital repairs using existing reserves and replacement reserve withdrawals over a 15-year period. The documents comprising HACR's RAD application are attached hereto as Attachments A, B and C.

(Continued)

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

Housing Authority

FORM 11: Approve and Authorize the Housing Authority of the County of Riverside to Apply for the Rental Assistance Demonstration Program sponsored by the U.S. Department of Housing and Urban Development, All Districts, [\$0]

DATE: September 11, 2014

PAGE: 3 of 3

BACKGROUND:

Summary

Staff recommends that the Board of Commissioners approve and authorize HACR to apply for the RAD Program and submit the three attached Rental Assistance Demonstration Public Housing Program Applications and Board Approval Forms.

Impact on Citizens and Businesses

HUD considers RAD to be a central part of its rental housing preservation strategy to stimulate efficiency, and build resilient, steady communities. Properties under RAD are placed on a more stable Section 8 funding platform, with more resources to improve living conditions of residents. Moreover, the choice-mobility option would be available to residents after a one-year tenancy in the project-based units.

The HACR has met the requirement of notifying residents through two (2) public resident meetings, where current residents of HACR's public housing sites were provided the opportunity for comment. The outcomes were favorable as most residents were very interested in witnessing improvements in their surrounding areas and given an option to live elsewhere. The impact to the Section 8 Program would be an increase in the lease-up rates and would allow other people in the Public Housing waiting list to reside in the project-based units and experience housing assistance.

ATTACHMENTS:

Attachment A: Rental Assistance Demonstration (RAD) Public Housing Program Application and Board Approval Form For Asset Management Project CA027000210

Attachment B: Rental Assistance Demonstration (RAD) Public Housing Program Application and Board Approval Form For Asset Management Project CA027000220

Attachment C: Rental Assistance Demonstration (RAD) Public Housing Program Application and Board Approval Form For Asset Management Project CA027000230

Attachment D: Notice to Residents and RAD Meetings Questions and Answers

Attachment E: Resident Comments

Housing Authority of the County of Riverside



Application for:

**RENTAL ASSISTANCE
DEMONSTRATION (RAD)**

ATTACHMENT A

RENTAL ASSISTANCE DEMONSTRATION (RAD)

PUBLIC HOUSING PROGRAM APPLICATION

and

BOARD APPROVAL FORM

Asset Management Project CA027000210

Rental Assistance Demonstration (RAD)

U.S. Department of HUD, Form HUD-5260

Public Housing Program Application

Office of Public Housing, Office of Multifamily Housing

Revision 1.01; 10/02/12

OMB Approval Number 2577-0278 (Issue date 9/21/12) (Expires 9/30/15)

There are several explanation boxes that extend the full width of this form. Increase or decrease the height of the box as needed (click to the left on the horizontal line below the row number, then drag the line up or down as needed).

Section 1: PIC Development Number and Name

Enter the PIC Development Number and Name.

CA027000220

MIDWAY CAPRI APTS

Development Number

Name of Development ?

Housing Authority of the County of Riverside

055022305

Public Housing Agency (PHA) Name

Data Universal Numbering System (DUNS) #

Heidi Marshall

9513435409

hmarshall@rivcoeda.org

Executive Director

Telephone Number

Email

Section 2: Background Information on the PHA and the Project

Enter the requested contact information and complete the below questions regarding the project.

Sharon Espejo

Fiscal Manager

(951) 343-5456

SHESPEJO@rivcoeda.org

PHA Contact Name

? Title

Telephone Number

Email

Type of Conversion: PBV (Project Based Vouchers)

?

Is this Project an existing Mixed Finance Project?

No

?

The formulaic result from FASS data

Is this Project an existing Mixed Finance Project?

No

?

Corrected PHA entry (if applicable)

Are you requesting the Choice-Mobility Exemption for this project?

Review the below table of project unit counts, by bedroom size, per the PIC data extract as of 09/13/12

PIC Bedroom Distribution							Total Units	Average Bedroom per Unit
0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR		
0	15	91	16	1	0	0	123	2.02

Is the above PIC information correct?

?

Yes

Skip to proposed post-RAD-conversion unit distribution

Actual Bedroom Distribution (PIC corrected)							Total Units	Average Bedroom per Unit
0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR		
0	15	91	16	1	0	0	123	2.02

Enter the date corrected or PIC ticket created (MM/DD/YYYY)

Proposed Post-RAD-Conversion Unit Distribution. Below, show the mix of units that you have proposed to convert, as well as other dwelling units at the project

	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR	Total Units
Units Converting		15	91	16	1			123
Market Rate								0
Other Affordable								0
Total	0	15	91	16	1	0	0	123

For units converting under RAD, enter the current utility allowances and estimated reasonable rent determinations for each unit type.

?	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR
Utility Allowances							
Reasonable Rents		\$840	\$1,003	\$1,438	\$1,689		

Section 3: De Minimis Reduction

The table below compares the current total public housing units, the number proposed for conversion, the number proposed to be reduced, and the applicable de minimis threshold. Indicate the number of reductions by category in the rows that follow, along with an explanation in the accompanying text box.

Current Public Housing Units	Total Units Proposed for Conversion	Units Proposed to be Reduced	de minimis threshold	Units above the de minimis threshold
123	123	0	6	0

Skip to section 4

	Units have already received Section 18 Demolition-Disposition approval from HUD
	Reconfiguring efficiency apartments
	Facilitating social service delivery
	Units vacant for more than 24 months
	Partial conversion
0	Total

Section 4: Existing Indebtedness, Capital Needs, and Replacement Reserves

Enter below information on the project's existing indebtedness, if applicable:

Energy Performance Contract (EPC)		Per Unit	\$0
Capital Fund Financing Program (CFFP)		Per Unit	\$0
Other		Per Unit	\$0
Other		Per Unit	\$0
Other		Per Unit	\$0
Total	\$0	Per Unit	\$0

Enter the most recent estimate of capital needs for the project, broken down by Immediate, Short-term, and Long-term needs. If these break-downs are not available, provide reasonable estimates.

Capital Needs: ?

What are your capital needs?

Year 1 (Immediate)	\$0	Per Unit	\$0
Years 2-5 (Short-term)	\$250,000	Per Unit	\$2,033
Years 6-20 (Long-term)	\$875,000	Per Unit	\$7,114

Please explain how you have arrived at these estimates.

These estimates are based off Capital Needs Assessments with input from the property managers.

Replacement Reserve Funding ?

Enter the Initial Deposit and Annual Deposit to replacement reserves below.

	Formula Amount	Your Proposal
Initial Deposit to Repl. Reserve (IDRR)	\$0	\$0
Annual Deposit to Repl. Reserve (ADRR)	\$58,333	\$73,800 ?

Section 5: Vacancy Loss and Bad Debt Loss, for Assisted Units

Enter vacancy and bad debt data for the proposed conversion.

	3 Yr Historical Avg	Proposed
Vacancy Rate (%) ?	2.78%	3.00%
Skip; no explanation necessary		
Bad Debt Rate (%) ?	0.73%	2.00%
Skip; no explanation necessary		

Section 6: Other Rent Potential, Vacancy Loss and Bad Debt Loss

In addition to units that will be included under the HAP contract, enter other rent potential, vacancy loss, and bad debt loss for the proposed conversion.

Type of Add'l Gross Potential Rent	Annual GPR	Vacancy Loss %	Bad Debt Loss %
Market rate apartments			
Other affordable apartments			
Office space			
Retail space			

Section 7: Other Income

Enter other income for the planned project.

?

	Annual	Explanation
Late / NSF charges		
Damage charges		
Laundry / Vending		
Other		
Other		
Other		

Section 8: Operating Expenses

Are you proposing the conversion in conjunction with new construction? No

Enter the 'Latest Approved Operating Budget' for the current fiscal year and the proposed conversion Operating Expenses. An explanation is required if any line item is entered below 85% of the latest approved operating budget.

	Latest Approved Operating Budget	Proposed	
Administrative Explanation	<u>\$230,249</u>	<u>\$196,742</u>	
Asset Management Fee Explanation	<u>\$0</u>	<u>\$0</u>	
Tenant Services Explanation	<u>\$0</u>	<u>\$0</u>	
Utility Expense Explanation	<u>\$117,158</u>	<u>\$133,673</u>	
Ordinary Maint and Ops	<u>\$433,361</u>	<u>\$313,597</u>	Explain variances less than 85%
As a result of the capital needs that will be addressed as part of the conversion, the proposed maintenance expense is projected to decrease by roughly 25%.			
Protective Services Explanation	<u>\$0</u>	<u>\$0</u>	
Real Estate Taxes Explanation	<u>\$0</u>	<u>\$0</u>	
Property Insurance Explanation	<u>\$27,359</u>	<u>\$36,768</u>	
Liability Insurance Explanation	<u>\$41,302</u>	<u>\$41,982</u>	
Other General Expenses Explanation	<u>\$90</u>	<u>\$100</u>	
Total Operating Expenses	\$849,519	\$722,862	

3 Year Historical Expenses: ☒ No New Construction: Provide Historical Operating Expenses

1900 AFS	2010 AFS	2011 AFS
<u>\$785,618</u>	<u>\$796,605</u>	<u>\$772,266</u>

PHA Corrected 3 Year Historical Expenses:

2009 AFS	2010 AFS	2011 AFS	3 Year Average
<u>\$785,618</u>	<u>\$796,605</u>	<u>\$772,266</u>	<u>\$784,830</u>

New Construction : Section Not Applicable. No explanation is required.

Explanation

Section 9: Net Operating Income

Presented below is a summary calculation of the proposed project's Net Operating Income. Before proceeding, review and make any necessary changes in the applicable section of the application.

Apartment Gross Potential Rent:

RAD Units	\$931,464	123 Units	\$7,573 per unit annual
Market Rate Units	\$0	0 Units	\$0 per unit annual
Other Affordable Units	\$0	0 Units	\$0 per unit annual
Office / Retail GPR	\$0		
Vacancy and Bad Debt Loss	(\$46,573)	5.0% weighted average	
Other Income	\$0		

Effective Gross Income **\$884,891**

Total Operating Expenses	(\$722,862)	\$5,877 PUPA
Annual Reserve Deposit	(\$73,800)	\$600 PUPA

Net Operating Income **\$88,229**

Section 10: First Mortgage Loan Sizing

Are you proposing to take out a first mortgage loan for this project?

No

No first mortgage proposed. Skip this section.

Interest Rate % per Year	?	
Mortgage Insurance Premium %	?	
Amortization Term	?	
Maturity Term	?	
Debt Service Coverage Ratio	?	
Maximum Supportable Mortgage Loan		\$0
Proposed Mortgage Loan Amount	?	
Calculated Annual Debt Service		\$0

Section 11: Total Uses of Funds (Total Development Cost)

Enter uses of funds for the proposed conversion.

Acquisition Costs

Building and Land Acquisition	?	
Payoff Existing Loans		\$0
Other Costs	?	

Construction Costs

	?	\$0
--	---	-----

Relocation Costs

	?	\$0
--	---	-----

Professional Fees

Architecture & Engineering	?	
Physical Conditions Assessment	?	\$20,000
Borrower's Legal Counsel	?	\$20,000
Lender's Legal Counsel	?	
Feasibility Studies	?	
Environmental Reports	?	\$6,150
Appraisal / Market Study	?	\$15,000
Accounting	?	
Survey	?	
Other Costs	?	\$4,558

Loan Fees and Costs

FHA MIP	?	
FHA Application Fee	?	
FHA Inspection Fee	?	
Financing Fee	?	
Organizational Costs	?	
Title Insurance/Exam Fee	?	
Recordation Fee	?	\$30,000
Closing Escrow Agent Fee	?	
Prepayment Penalty/Premium	?	
Payables	?	
Construction Interest	?	
Construction Loan Fees	?	
Cost of Bond Issuance	?	
Other Costs	?	

Reserves

Initial Deposit to Replacement Reserve	?	\$0
Initial Operating Deficit Escrow	?	
Operating Reserve	?	
Tax and Insurance Escrow	?	
Other Costs	?	

Developer Fees

	?	\$55,000
Total Development Cost		\$150,708

aka Total Uses of Funds

Section 12: Total Sources of Funds

Enter sources of funds for the proposed conversion.

New First Mortgage Loan		\$0
Public Housing Operating Reserves		\$150,708
Public Housing Capital Funds		
Replacement Housing Factor		
Low Income Housing Tax Credit Equity - 4%		
Low Income Housing Tax Credit Equity - 9%		
Other/Local		
Other/Local		
Other/Local		
Total Sources of Funds	?	\$150,708

Sources and uses are in balance

LIHTCs are not proposed; skip to Section 14

Section 13: Projects Utilizing Low Income Housing Tax Credits ('LIHTCs')

You are not proposing to use LIHTCs. Skip this section.

?

Do you have a LIHTC reservation?

No

Complete the rest of Section 13

Briefly discuss the application submission and approval timing that is provided under the current QAP. Please provide sufficient detail that HUD can understand when you will submit an application, when you will be notified regarding selection, and when a LIHTC Reservation letter would be issued to you.

Discussion of QAP timing

RAD requires that you demonstrate recent success, internally or through development team partners, in obtaining 9% LIHTCs. Below, briefly discuss your capacity and experience in obtaining 9% LIHTCs from the relevant State allocating agency.

Demonstration of recent success obtaining 9% LIHTCs

Do you have a letter from the credit-issuing authority as described in Section 1.9(B) of the RAD Notice? _____

Provide evidence that the applicant diligently attempted to secure such a letter

Efforts to secure letter from credit-issuing authority

RAD requires that you attach a self-scored QAP application. Below, briefly discuss why you believe that a QAP application for the subject project, at the indicated score, is likely to receive a 9% LIHTC award.

Likelihood of obtaining 9% LIHTCs

Section 14: Ranking Factors

No 1) Do you want to designate this project as your PHA's priority project?

?

No 2) Are you applying for a ranking factor for Choice Mobility? Skip to section Question 3

 (a) Are you receiving choice-mobility vouchers?

 (b) Are you providing choice-mobility vouchers?

No 3) Are you requesting the Ranking Factor for Green Building and Energy Efficiency?

The Housing Authority of the County of Riverside plans to implement many green features, however, HACR plans to retain the flexibility to choose green features which are most appropriate to the site without the constraints of seeking a particular rating system.

Section 15: Additional Narratives

Provide written responses in the grey highlighted rows below. Please limit each responses to 200 words.

Briefly describe the land, location / neighborhood, and physical plant for the project.

The transaction is a conversion of the entire AMP which is actually six distinct properties. Two of the properties are in Lake Elsinore with one property in each of the following localities, Perris, San Jacinto, Beaumont, and Banning. Of the two properties in Lake Elsinore, one is a 28-unit property, which was built in 1986 and contains all 2-bedrooms units, and the other property is a 16-unit property, which was built in the 1983 and contains all 1-bedroom units. The property in Perris is a 40-unit property which was built in 1956 and contains fifteen 1-bedroom, twenty 2-bedroom, and five 3-bedroom units. The property in San Jacinto is a 14-unit property which was built in 1986 and contains fourteen 2-bedroom units. The property in Beaumont is a 12-unit property which was built in 1950s and contains eleven 3-bedroom units and one 4-bedroom unit. The property in Banning is a 14-unit property which was built in 1985 and contains fourteen 2-bedroom units.

Discuss any known environmental or building product risks such as lead based paint, asbestos, PCBs, flood zone status, aluminum wiring, and fuel storage tanks (whether underground or above ground), along with associated remediation measures.

While full environmental investigations are still pending, HACR is not aware of any adverse environmental conditions in the soil or in the structure to be rehabilitated.

Discuss any needed accessibility modifications.

?

There are no needed accessibility modifications.

Discuss any known market competitiveness issues, such as small unit sizes or limited on-site parking, and how the conversion plans to address these issues.

There are no known market competitiveness issues, but the conversion and subsequent rehabilitation work will increase the market competitiveness of the properties.

Discuss any proposed relocation plans for the project.

All of the planned work will be done with tenants in place and will not require any tenant relocation.

Discuss the capacity of the development team to undertake the proposed conversion.

?

The Housing Authority of the County of Riverside, who will be the new owner and contractor, is being advised by a high-capacity accounting firm, Smith Marion & Company, a RAD consultant, Recap Real Estate Advisors, and the County Counsel, Jhaila Brown. HACR will supplement this team with other highly-experienced team members providing the full range of necessary services from legal to development to construction implementation services, as appropriate for the transaction.

Section 16: Required Attachments**The Following Must Be Attached as Part of Your Electronic Application:**

Yes	Board Approval Form
Yes	Evidence of PHA to Administer PBV Contracts
No	Mixed-finance Affidavit
No	Financing Letter of Interest/Intent for Lender(s) or Equity Investor(s)
No	Financing Letter of Interest/Intent for 4% LIHTCs
No	Financing Letter of Interest/Intent for 9% LIHTCs
No	Choice-Mobility Letter Agreement
No	9% LIHTC Reservation Letter
No	Letter from credit-issuing authority
No	Self-Scored QAP Application for 9% LIHTCs
No	QAP Timeline
Yes	Resident Comments

The 2 attachments indicated 'Yes' above must be included in your electronic application package. Incomplete application packages will be rejected, and if you re-submit, your place on the waiting list will be based on the date of re-submission.

No changes were made to the PIC data

Attachment 1A: Board Approval Form

Housing Authority of the County of Riverside RAD Application for MIDWAY CAPRI APTS

AMP No: CA027000220
Units: 123

Type of Conversion
PBV (Project Based Vouchers)

Proposed Units for Conversion and De Minimis

Summary	Total Units Proposed for Conversion	Units Proposed to be Reduced	de minimis threshold
	123	0	6
Explanation for de minimis reduction			Unit Count

Pro Forma Sources and Uses

Sources of Funds	Amount	Per Unit
New First Mortgage Loan	\$0	\$0
Public Housing Operating Reserves	\$150,708	\$1,225
Public Housing Capital Funds	\$0	\$0
Replacement Housing Factor	\$0	\$0
Low Income Housing Tax Credit Equity - 4%	\$0	\$0
Low Income Housing Tax Credit Equity - 9%	\$0	\$0
Other	\$0	\$0
Other	\$0	\$0
Other	\$0	\$0
Total Sources of Funds	\$150,708	\$1,225
Uses of Funds	Amount	Per Unit
Acquisition Costs	\$0	\$0
Construction Costs	\$0	\$0
Relocation Costs	\$0	\$0
Professional Fees	\$65,708	\$534
Loan Fees and Costs	\$30,000	\$244
Reserves	\$0	\$0
Developer Fees	\$55,000	\$447
Total Uses of Funds	\$150,708	\$1,225

Stabilized Cash Flow Pro Forma

	Total	PUPA
Gross Potential Rents for RAD Units	\$931,464	\$7,573
Gross Potential Rents for Other Apartment Units	\$0	\$0
Gross Potential Rents for Commercial	\$0	N/A
Vacancy Loss and Bad Debt Loss	(\$46,573)	-\$379
Other Income	\$0	\$0
Effective Gross Income	\$884,891	\$7,194
Total Operating Expenses	(\$722,862)	(\$5,877)
Annual Deposit to Replacement Reserve	(\$73,800)	(\$600)
Net Operating Income	\$88,229	\$717
First Mortgage Debt Service	\$0	\$0
Operating Cash Flow	\$88,229	\$717

PHA's Explanation of Any Relocation of Tenants (Estimated Relocation Cost is \$0)

All of the planned work will be done with tenants in place and will not require any tenant relocation.

PHA's Explanation of Capacity and Experience to Carry Out the RAD Conversion

The Housing Authority of the County of Riverside, who will be the new owner and contractor, is being advised by a high-capacity accounting firm, Smith Marlon & Company, a RAD consultant, Recap Real Estate Advisors, and the County Counsel, Jhaila Brown. HACR will supplement this team with other highly-experienced team members providing the full range of necessary services from legal to development to construction implementation services, as appropriate for the transaction.

Attachment 1A: Board Approval Form

Housing Authority of the County of Riverside RAD Application for MIDWAY CAPRI APTS

PHA's Explanation of the Proposed Total Operating Cost being less than 85% of the 3 Year Historical Operating Expenses

3 Year Historical Average Comparison	2009	2010	2011	Average	Proposed
	\$785,618	\$796,605	\$772,266	\$784,830	\$722,862

N/A

PHA's Explanation of the Capital Needs and Replacement Reserves Estimates

These estimates are based off Capital Needs Assessments with input from the property managers.

Discussion of QAP timing

N/A

Demonstration of recent success obtaining 9% LIHTCs

N/A

Likelihood of obtaining 9% LIHTCs

N/A

I hereby certify to the following: (1) that I have the requisite authority to execute this application on behalf of the owner; (2) that HUD can rely upon this certification in evaluating the Application; (3) that I acknowledge that I have read and understand PIH Notice 2012-32 (the "Notice"), which describes the Rental Assistance Demonstration (RAD) (the "Program"), and agree to comply with all requirements of the Program or Notice; (4) that all materials submitted in association with the application are accurate, complete and not misleading; (5) that the application meets all applicable eligibility requirements for the Program set forth in the Notice; (6) that the owner approves the creation of a single-asset entity of the affected project if required by the lender to facilitate financing; (7) that, if selected for award, the owner will comply with the fair housing and civil rights requirements at 24 CFR 5.105(a) (general requirements) and will affirmatively further fair housing; (8) that there are no debarments, suspensions, or Limited Denials of Participation in Federal programs lodged against the applicant, PHA Executive Director, Board members, or affiliates; (9) that this Board Approval Form has been approved by the Board of Commissioners on the date noted below; and (10) that, if selected for an award, the PHA will comply with all provisions of HUD's Commitment to Enter into a HAP (CHAP), which shall indicate the HUD-approved terms and conditions for conversion of assistance, or will indicate to HUD within 15 days that it is refusing the terms of the CHAP and withdrawing from RAD participation.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties (18 USC Sections 1001, 1010, 1012; 31 USC Sections 3729, 3802)

PHA Certification: By Heidi Marshall (Executive Director)

Signature:

Date:

FORM APPROVED COUNTY COUNSEL

BY: Chaila R. Brown 8-26-14
CHAILA R. BROWN DATE

ATTACHMENT B

RENTAL ASSISTANCE DEMONSTRATION (RAD)

PUBLIC HOUSING PROGRAM APPLICATION

and

BOARD APPROVAL FORM

Asset Management Project CA027000220

Rental Assistance Demonstration (RAD)

U.S. Department of HUD, Form HUD-5260

Public Housing Program Application

Office of Public Housing, Office of Multifamily Housing

Revision 1.01; 10/02/12

OMB Approval Number 2577-0278 (Issue date 9/21/12) (Expires 9/30/15)

There are several explanation boxes that extend the full width of this form. Increase or decrease the height of the box as needed (click to the left on the horizontal line below the row number, then drag the line up or down as needed).

Section 1: PIC Development Number and Name

Enter the PIC Development Number and Name.

CA027000210

DESERT HOT SPRINGS APTS

Development Number

Name of Development ?

Housing Authority of the County of Riverside

055022305

Public Housing Agency (PHA) Name

Data Universal Numbering System (DUNS) #

Heidi Marshall

9513435409

hmarshall@rivcoeda.or

Executive Director

Telephone Number

Email

Section 2: Background Information on the PHA and the Project

Enter the requested contact information and complete the below questions regarding the project.

Sharon Espejo

Fiscal Manager

(951) 343 5456

SHESPEJO@rivcoeda.c

PHA Contact Name

? Title

Telephone Number

Email

Type of Conversion: PBV (Project Based Vouchers)

?

Is this Project an existing Mixed Finance Project?

No

?

The formulaic result from FASS data

Is this Project an existing Mixed Finance Project?

No

?

Corrected PHA entry (if applicable)

Are you requesting the Choice-Mobility Exemption for this project?

Review the below table of project unit counts, by bedroom size, per the PIC data extract as of 09/13/12

PIC Bedroom Distribution							Total Units	Average Bedroom per Unit
0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR		
0	28	137	8	3	0	0	176	1.92

Is the above PIC information correct?

?

Yes

Skip to proposed post-RAD-conversion unit distribution

Actual Bedroom Distribution (PIC corrected)							Total Units	Average Bedroom per Unit
0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR		
0	28	137	8	3	0	0	176	1.92

Enter the date corrected or PIC ticket created (MM/DD/YYYY)

Proposed Post-RAD-Conversion Unit Distribution. Below, show the mix of units that you have proposed to convert, as well as other dwelling units at the project

	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR	Total Units
Units Converting		28	137	8	3			176
Market Rate								0
Other Affordable								0
Total	0	28	137	8	3	0	0	176

For units converting under RAD, enter the current utility allowances and estimated reasonable rent determinations for each unit type.

	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR
Utility Allowances							
Reasonable Rents		\$833	\$996	\$1,431	\$1,681		

Section 3: De Minimis Reduction

The table below compares the current total public housing units, the number proposed for conversion, the number proposed to be reduced, and the applicable de minimis threshold. Indicate the number of reductions by category in the rows that follow, along with an explanation in the accompanying text box.

Current Public Housing Units	Total Units Proposed for Conversion	Units Proposed to be Reduced	de minimis threshold	Units above the de minimis threshold
176	176	0	9	0

Skip to section 4

	Units have already received Section 18 Demolition-Disposition approval from HUD
	Reconfiguring efficiency apartments
	Facilitating social service delivery
	Units vacant for more than 24 months
	Partial conversion
0	Total

Section 4: Existing Indebtedness, Capital Needs, and Replacement Reserves

Enter below information on the project's existing indebtedness, if applicable:

Energy Performance Contract (EPC)		Per Unit	\$0
Capital Fund Financing Program (CFFP)		Per Unit	\$0
Other		Per Unit	\$0
Other		Per Unit	\$0
Other		Per Unit	\$0
Total	\$0	Per Unit	\$0

Enter the most recent estimate of capital needs for the project, broken down by Immediate, Short-term, and Long-term needs. If these break-downs are not available, provide reasonable estimates.

Capital Needs: ?

What are your capital needs?

Year 1 (Immediate) ?	\$202,080	Per Unit	\$1,148
Years 2-5 (Short-term)	\$208,427	Per Unit	\$1,184
Years 6-20 (Long-term)	\$642,809	Per Unit	\$3,652

Please explain how you have arrived at these estimates.

These estimates are based off Capital Needs Assessments with input from the property managers.

Replacement Reserve Funding ?

Enter the Initial Deposit and Annual Deposit to replacement reserves below.

	Formula Amount	Your Proposal
Initial Deposit to Repl. Reserve (IDRR)	\$0	\$0
Annual Deposit to Repl. Reserve (ADRR)	\$42,854	\$44,000 ?

Section 5: Vacancy Loss and Bad Debt Loss, for Assisted Units

Enter vacancy and bad debt data for the proposed conversion.

	3 Yr Historical Avg	Proposed
Vacancy Rate (%) ? Skip; no explanation necessary	2.71%	3.00%
Bad Debt Rate (%) ? Skip; no explanation necessary	1.31%	2.00%

Section 6: Other Rent Potential, Vacancy Loss and Bad Debt Loss

In addition to units that will be included under the HAP contract, enter other rent potential, vacancy loss, and bad debt loss for the proposed conversion.

Type of Add'l Gross Potential Rent	Annual GPR	Vacancy Loss %	Bad Debt Loss %
Market rate apartments			
Other affordable apartments			
Office space			
Retail space			

Section 7: Other Income

Enter other income for the planned project.

?

	Annual	
Late / NSF charges		Explanation
Damage charges		Explanation
Laundry / Vending		Explanation
Other		Explanation
Other		Explanation
Other		Explanation

Section 8: Operating Expenses

Are you proposing the conversion in conjunction with new construction? No

Enter the 'Latest Approved Operating Budget' for the current fiscal year and the proposed conversion Operating Expenses. An explanation is required if any line item is entered below 85% of the latest approved operating budget.

	Latest Approved Operating Budget	Proposed
Administrative Explanation	<u>\$307,412</u>	<u>\$352,743</u>
Asset Management Fee Explanation	<u>\$0</u>	<u>\$0</u>
Tenant Services Explanation	<u>\$0</u>	<u>\$0</u>
Utility Expense Explanation	<u>\$140,510</u>	<u>\$161,468</u>
Ordinary Maint and Ops Explanation	<u>\$490,009</u>	<u>\$418,061</u>
Protective Services Explanation	<u>\$0</u>	<u>\$0</u>
Real Estate Taxes Explanation	<u>\$0</u>	<u>\$0</u>
Property Insurance Explanation	<u>\$38,879</u>	<u>\$51,000</u>
Liability Insurance Explanation	<u>\$58,692</u>	<u>\$59,809</u>
Other General Expenses Explanation	<u>\$1,259</u>	<u>\$1,250</u>
Total Operating Expenses	\$1,036,761	\$1,044,331

3 Year Historical Expenses: **?** No New Construction: Provide Historical Operating Expenses

1900 AFS	2010 AFS	2011 AFS
<u>\$1,027,162</u>	<u>\$975,776</u>	<u>\$1,096,539</u>

PHA Corrected 3 Year Historical Expenses:

2009 AFS	2010 AFS	2011 AFS	3 Year Average
<u>\$1,027,162</u>	<u>\$975,776</u>	<u>\$1,096,539</u>	<u>\$1,033,159</u>

New Construction : Section Not Applicable. No explanation is required.

Explanation

Section 9: Net Operating Income

Presented below is a summary calculation of the proposed project's Net Operating Income. Before proceeding, review and make any necessary changes in the applicable section of the application.

Apartment Gross Potential Rent:

RAD Units	\$1,318,248	176 Units	\$7,490 per unit annual
Market Rate Units	\$0	0 Units	\$0 per unit annual
Other Affordable Units	\$0	0 Units	\$0 per unit annual
Office / Retail GPR	\$0		
Vacancy and Bad Debt Loss	(\$65,912)	5.0% weighted average	
Other Income	\$0		
Effective Gross Income	\$1,252,336		
Total Operating Expenses	(\$1,044,331)	\$5,934 PUPA	
Annual Reserve Deposit	(\$44,000)	\$250 PUPA	
Net Operating Income	\$164,005		

Section 10: First Mortgage Loan Sizing

Are you proposing to take out a first mortgage loan for this project?

No

No first mortgage proposed. Skip this section.

Interest Rate % per Year	?	
Mortgage Insurance Premium %	?	
Amortization Term	?	
Maturity Term	?	
Debt Service Coverage Ratio	?	
Maximum Supportable Mortgage Loan		\$0
Proposed Mortgage Loan Amount	?	
Calculated Annual Debt Service		\$0

Section 11: Total Uses of Funds (Total Development Cost)

Enter uses of funds for the proposed conversion.

Acquisition Costs

Building and Land Acquisition	?	
Payoff Existing Loans		\$0
Other Costs	?	

Construction Costs

	?	\$202,080
--	---	-----------

Relocation Costs

	?	\$0
--	---	-----

Professional Fees

Architecture & Engineering	?	\$9,381
Physical Conditions Assessment	?	\$20,000
Borrower's Legal Counsel	?	\$20,000
Lender's Legal Counsel	?	
Feasibility Studies	?	
Environmental Reports	?	\$8,800
Appraisal / Market Study	?	\$15,000
Accounting	?	
Survey	?	
Other Costs	?	\$5,506

Loan Fees and Costs

FHA MIP	?	
FHA Application Fee	?	
FHA Inspection Fee	?	
Financing Fee	?	
Organizational Costs	?	
Title Insurance/Exam Fee	?	
Recordation Fee	?	\$30,000
Closing Escrow Agent Fee	?	
Prepayment Penalty/Premium	?	
Payables	?	
Construction Interest	?	
Construction Loan Fees	?	
Cost of Bond Issuance	?	
Other Costs	?	\$2,370

Reserves

Initial Deposit to Replacement Reserve	?	\$0
Initial Operating Deficit Escrow	?	
Operating Reserve	?	
Tax and Insurance Escrow	?	
Other Costs	?	

Developer Fees

?

\$55,000

Total Development Cost **\$368,137**

aka Total Uses of Funds

Section 12: Total Sources of Funds

Enter sources of funds for the proposed conversion.

New First Mortgage Loan		\$0
Public Housing Operating Reserves		\$368,137
Public Housing Capital Funds		
Replacement Housing Factor		
Low Income Housing Tax Credit Equity - 4%		
Low Income Housing Tax Credit Equity - 9%		
Other/Local		
Other/Local		
Other/Local		
Total Sources of Funds	?	\$368,137

Sources and uses are in balance

LIHTCs are not proposed; skip to Section 14

Section 13: Projects Utilizing Low Income Housing Tax Credits ('LIHTCs')

You are not proposing to use LIHTCs. Skip this section.

?

Do you have a LIHTC reservation?

No

Complete the rest of Section 13

Briefly discuss the application submission and approval timing that is provided under the current QAP. Please provide sufficient detail that HUD can understand when you will submit an application, when you will be notified regarding selection, and when a LIHTC Reservation letter would be issued to you.

Discussion of QAP timing

RAD requires that you demonstrate recent success, internally or through development team partners, in obtaining 9% LIHTCs. Below, briefly discuss your capacity and experience in obtaining 9% LIHTCs from the relevant State allocating agency.

Demonstration of recent success obtaining 9% LIHTCs

Do you have a letter from the credit-issuing authority as described in Section 1.9(B) of the RAD Notice? _____

Provide evidence that the applicant diligently attempted to secure such a letter

Efforts to secure letter from credit-issuing authority

RAD requires that you attach a self-scored QAP application. Below, briefly discuss why you believe that a QAP application for the subject project, at the indicated score, is likely to receive a 9% LIHTC award.

Likelihood of obtaining 9% LIHTCs

Section 14: Ranking Factors

No 1) Do you want to designate this project as your PHA's priority project? **?**

No 2) Are you applying for a ranking factor for Choice Mobility? Skip to section Question 3

(a) Are you receiving choice-mobility vouchers?

(b) Are you providing choice-mobility vouchers?

No 3) Are you requesting the Ranking Factor for Green Building and Energy Efficiency?

The Housing Authority of the County of Riverside plans to implement many of green features, however, HACR plans to retain the flexibility to choose green features which are most appropriate to the site without the constraints of seeking a particular rating system.

Section 15: Additional Narratives

Provide written responses in the grey highlighted rows below. Please limit each responses to 200 words.

Briefly describe the land, location / neighborhood, and physical plant for the project.

The transaction is a conversion of the entire AMP which is actually six distinct properties. Half of the properties are in Riverside and the other half are in Moreno Valley. Of the three properties in Riverside, one is a 29-unit property, which was built in 1984 and contains all 2-bedrooms units, one is a 68-unit property, which was built in the 1950s and contains 1 and 2-bedroom units, and one is a 5-unit property which was acquired in 1985. The three properties in Moreno Valley include a 34-unit property, which was built in the 1940s, a 28-unit property, which was built in 1986, and a 12-unit property, which was acquired by HACR in 1985.

Discuss any known environmental or building product risks such as lead based paint, asbestos, PCBs, flood zone status, aluminum wiring, and fuel storage tanks (whether underground or above ground), along with associated remediation measures.

While full environmental investigations are still pending, HACR is not aware of any adverse environmental conditions in the soil or in the structure to be rehabilitated.

Discuss any needed accessibility modifications.

?

There are no needed accessibility modifications.

Discuss any known market competitiveness issues, such as small unit sizes or limited on-site parking, and how the conversion plans to address these issues.

There are no known market competitiveness issues, but the conversion and subsequent rehabilitation work will increase the market competitiveness of the properties.

Discuss any proposed relocation plans for the project.

All of the work planned will be done with tenants in place and will not require any tenant relocation.

Discuss the capacity of the development team to undertake the proposed conversion.

?

The Housing Authority of the County of Riverside, who will be the new owner and contractor, is being advised by a high-capacity accounting firm, Smith Marion & Company, a RAD consultant, Recap Real Estate Advisors, and the County Counsel, Jhaila Brown. HACR will supplement this team with other highly experienced team members providing the full range of necessary services from legal to development to construction implementation services, as appropriate for the transaction.

Section 16: Required Attachments

The Following Must Be Attached as Part of Your Electronic Application:

- | | |
|-----|---|
| Yes | Board Approval Form |
| Yes | Evidence of PHA to Administer PBV Contracts |
| No | Mixed-finance Affidavit |
| No | Financing Letter of Interest/Intent for Lender(s) or Equity Investor(s) |
| No | Financing Letter of Interest/Intent for 4% LIHTCs |
| No | Financing Letter of Interest/Intent for 9% LIHTCs |
| No | Choice-Mobility Letter Agreement |
| No | 9% LIHTC Reservation Letter |
| No | Letter from credit-issuing authority |
| No | Self-Scored QAP Application for 9% LIHTCs |
| No | QAP Timeline |
| Yes | Resident Comments |

The 2 attachments indicated 'Yes' above must be included in your electronic application package. Incomplete application packages will be rejected, and if you re-submit, your place on the waiting list will be based on the date of re-submission.

No changes were made to the PIC data

Attachment 1A: Board Approval Form

Housing Authority of the County of Riverside RAD Application for DESERT HOT SPRINGS APTS

AMP No: CA027000210
Units: 176

Type of Conversion
PBV (Project Based Vouchers)

Proposed Units for Conversion and De Minimis			
Summary	Total Units Proposed for Conversion	Units Proposed to be Reduced	de minimis threshold
	176	0	9
Explanation for de minimis reduction			Unit Count

Pro Forma Sources and Uses		
Sources of Funds	Amount	Per Unit
New First Mortgage Loan	\$0	\$0
Public Housing Operating Reserves	\$368,137	\$2,092
Public Housing Capital Funds	\$0	\$0
Replacement Housing Factor	\$0	\$0
Low Income Housing Tax Credit Equity - 4%	\$0	\$0
Low Income Housing Tax Credit Equity - 9%	\$0	\$0
Other	\$0	\$0
Other	\$0	\$0
Other	\$0	\$0
Total Sources of Funds	\$368,137	\$2,092
Uses of Funds	Amount	Per Unit
Acquisition Costs	\$0	\$0
Construction Costs	\$202,080	\$1,148
Relocation Costs	\$0	\$0
Professional Fees	\$78,687	\$447
Loan Fees and Costs	\$32,370	\$184
Reserves	\$0	\$0
Developer Fees	\$55,000	\$313
Total Uses of Funds	\$368,137	\$2,092

Stabilized Cash Flow Pro Forma		
	Total	PUPA
Gross Potential Rents for RAD Units	\$1,318,248	\$7,490
Gross Potential Rents for Other Apartment Units	\$0	\$0
Gross Potential Rents for Commercial	\$0	N/A
Vacancy Loss and Bad Debt Loss	(\$65,912)	-\$375
Other Income	\$0	\$0
Effective Gross Income	\$1,252,336	\$7,116
Total Operating Expenses	(\$1,044,331)	(\$5,934)
Annual Deposit to Replacement Reserve	(\$44,000)	(\$250)
Net Operating Income	\$164,005	\$932
First Mortgage Debt Service	\$0	\$0
Operating Cash Flow	\$164,005	\$932

PHA's Explanation of Any Relocation of Tenants (Estimated Relocation Cost is \$0)

All of the work planned will be done with tenants in place and will not require any tenant relocation.

PHA's Explanation of Capacity and Experience to Carry Out the RAD Conversion

The Housing Authority of the County of Riverside, who will be the new owner and contractor, is being advised by a high-capacity accounting firm, Smith Marlon & Company, a RAD consultant, Recap Real Estate Advisors, and the County Counsel, Jhaila Brown. HACR will supplement this team with other highly experienced team members providing the full range of necessary services from legal to development to construction implementation services, as appropriate for the transaction.

Attachment 1A: Board Approval Form

Housing Authority of the County of Riverside RAD Application for DESERT HOT SPRINGS APTS

PHA's Explanation of the Proposed Total Operating Cost being less than 85% of the 3 Year Historical Operating Expenses

3 Year Historical Average Comparison	2009	2010	2011	Average	Proposed
	\$1,027,162	\$975,776	\$1,096,539	\$1,033,159	\$1,044,331

N/A

PHA's Explanation of the Capital Needs and Replacement Reserves Estimates

These estimates are based off Capital Needs Assessments with input from the property managers.

Discussion of QAP timing

N/A

Demonstration of recent success obtaining 9% LIHTCs

N/A

Likelihood of obtaining 9% LIHTCs

N/A

I hereby certify to the following: (1) that I have the requisite authority to execute this application on behalf of the owner; (2) that HUD can rely upon this certification in evaluating the Application; (3) that I acknowledge that I have read and understand PIH Notice 2012-32 (the "Notice"), which describes the Rental Assistance Demonstration (RAD) (the "Program"), and agree to comply with all requirements of the Program or Notice; (4) that all materials submitted in association with the application are accurate, complete and not misleading; (5) that the application meets all applicable eligibility requirements for the Program set forth in the Notice; (6) that the owner approves the creation of a single-asset entity of the affected project if required by the lender to facilitate financing; (7) that, if selected for award, the owner will comply with the fair housing and civil rights requirements at 24 CFR 5.105(a) (general requirements) and will affirmatively further fair housing; (8) that there are no debarments, suspensions, or Limited Denials of Participation in Federal programs lodged against the applicant, PHA Executive Director, Board members, or affiliates; (9) that this Board Approval Form has been approved by the Board of Commissioners on the date noted below; and (10) that, if selected for an award, the PHA will comply with all provisions of HUD's Commitment to Enter into a HAP (CHAP), which shall indicate the HUD-approved terms and conditions for conversion of assistance, or will indicate to HUD within 15 days that it is refusing the terms of the CHAP and withdrawing from RAD participation.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties (18 USC Sections 1001, 1010, 1012; 31 USC Sections 3729, 3802)

PHA Certification: By Heidi Marshall (Executive Director)

Signature:

Date:

FORM APPROVED COUNTY COUNSEL
BY: Heidi R. Brown 8-26-14
HAILA R. BROWN DATE

ATTACHMENT C

RENTAL ASSISTANCE DEMONSTRATION (RAD)

PUBLIC HOUSING PROGRAM APPLICATION

and

BOARD APPROVAL FORM

Asset Management Project CA027000230

Rental Assistance Demonstration (RAD)

U.S. Department of HUD, Form HUD-5260

Public Housing Program Application

Office of Public Housing, Office of Multifamily Housing

Revision 1.01; 10/02/12

OMB Approval Number 2577-0278 (Issue date 9/21/12) (Expires 9/30/15)

There are several explanation boxes that extend the full width of this form. Increase or decrease the height of the box as needed (click to the left on the horizontal line below the row number, then drag the line up or down as needed).

Section 1: PIC Development Number and Name

Enter the PIC Development Number and Name.

CA027000230

DESERT HOT SPRINGS APTS

Development Number

Name of Development ?

Housing Authority of the County of Riverside

055022305

Public Housing Agency (PHA) Name

Data Universal Numbering System (DUNS) #

Heidi Marshall

9513435409

hmarshall@rivcoeda.org

Executive Director

Telephone Number

Email

Section 2: Background Information on the PHA and the Project

Enter the requested contact information and complete the below questions regarding the project.

PHA Contact Name ? Title

Telephone Number

Email

Type of Conversion: PBV (Project Based Vouchers)

?

Is this Project an existing Mixed Finance Project?

No

?

The formulaic result from FASS data

Is this Project an existing Mixed Finance Project?

No

?

Corrected PHA entry (if applicable)

Are you requesting the Choice-Mobility Exemption for this project?

Review the below table of project unit counts, by bedroom size, per the PIC data extract as of 09/13/12

PIC Bedroom Distribution							Total Units	Average Bedroom per Unit
0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR		
0	0	87	49	29	4	0	169	2.70

Is the above PIC information correct?

?

Yes

Skip to proposed post-RAD-conversion unit distribution

Actual Bedroom Distribution (PIC corrected)							Total Units	Average Bedroom per Unit
0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR		
0	0	87	49	29	4	0	169	2.70

Enter the date corrected or PIC ticket created (MM/DD/YYYY)

Proposed Post-RAD-Conversion Unit Distribution. Below, show the mix of units that you have proposed to convert, as well as other dwelling units at the project

	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR	Total Units
Units Converting			87	49	29	4		169
Market Rate								0
Other Affordable								0
Total	0	0	87	49	29	4	0	169

For units converting under RAD, enter the current utility allowances and estimated reasonable rent determinations for each unit type.

?	0-BR	1-BR	2-BR	3-BR	4-BR	5-BR	6-BR
Utility Allowances							
Reasonable Rents			\$1,006	\$1,441	\$1,691	\$1,954	

Section 3: De Minimis Reduction

The table below compares the current total public housing units, the number proposed for conversion, the number proposed to be reduced, and the applicable de minimis threshold. Indicate the number of reductions by category in the rows that follow, along with an explanation in the accompanying text box.

Current Public Housing Units	Total Units Proposed for Conversion	Units Proposed to be Reduced	de minimis threshold	Units above the de minimis threshold
169	169	0	8	0

Skip to section 4

	Units have already received Section 18 Demolition-Disposition approval from HUD
	Reconfiguring efficiency apartments
	Facilitating social service delivery
	Units vacant for more than 24 months
	Partial conversion ?
0	Total

Section 4: Existing Indebtedness, Capital Needs, and Replacement Reserves

Enter below information on the project's existing indebtedness, if applicable:

Energy Performance Contract (EPC)		Per Unit	\$0
Capital Fund Financing Program (CFFP)		Per Unit	\$0
Other		Per Unit	\$0
Other		Per Unit	\$0
Other		Per Unit	\$0
Total	\$0	Per Unit	\$0

Enter the most recent estimate of capital needs for the project, broken down by Immediate, Short-term, and Long-term needs. If these break-downs are not available, provide reasonable estimates.

Capital Needs: ?

What are your capital needs?

Year 1 (Immediate)	\$154,277	Per Unit	\$913
Years 2-5 (Short-term)	\$343,459	Per Unit	\$2,032
Years 6-20 (Long-term)	\$1,059,260	Per Unit	\$6,268

Please explain how you have arrived at these estimates.

These estimates are based off Capital Needs Assessments with input from the property managers.

Replacement Reserve Funding ?

Enter the Initial Deposit and Annual Deposit to replacement reserves below.

	Formula Amount	Your Proposal
Initial Deposit to Repl. Reserve (IDRR)	\$0	\$0
Annual Deposit to Repl. Reserve (ADRR)	\$70,617	\$97,175 ?

Section 5: Vacancy Loss and Bad Debt Loss, for Assisted Units

Enter vacancy and bad debt data for the proposed conversion.

	3 Yr Historical Avg	Proposed	
Vacancy Rate (%)	3.99%	3.00%	Explain reduction from historical
The historical vacancy rate is higher than projected because the property contains thirty-three 4 and 5 bedroom units, which upon turnover can be difficult to find an appropriate family to lease to.			
Bad Debt Rate (%)	0.38%	2.00%	
Skip; no explanation necessary			

Section 6: Other Rent Potential, Vacancy Loss and Bad Debt Loss

In addition to units that will be included under the HAP contract, enter other rent potential, vacancy loss, and bad debt loss for the proposed conversion.

Type of Add'l Gross Potential Rent	Annual GPR	Vacancy Loss %	Bad Debt Loss %
Market rate apartments			
Other affordable apartments			
Office space			
Retail space			

Section 7: Other Income

Enter other income for the planned project.

	Annual	?
Late / NSF charges		Explanation
Damage charges		Explanation
Laundry / Vending		Explanation
Other		Explanation
Other		Explanation
Other		Explanation

Section 8: Operating Expenses

Are you proposing the conversion in conjunction with new construction? No

Enter the 'Latest Approved Operating Budget' for the current fiscal year and the proposed conversion Operating Expenses. An explanation is required if any line item is entered below 85% of the latest approved operating budget.

	Latest Approved Operating Budget	Proposed	
Administrative Explanation	<u>\$333,731</u>	<u>\$353,028</u>	
Asset Management Fee Explanation	<u>\$0</u>	<u>\$0</u>	
Tenant Services Explanation	<u>\$0</u>	<u>\$0</u>	
Utility Expense Explanation	<u>\$208,932</u>	<u>\$212,246</u>	
Ordinary Maint and Ops	<u>\$585,739</u>	<u>\$454,172</u>	Explain variances less than 85%
As a result of the capital needs that will be addressed as part of the conversion, the proposed maintenance expense is projected to decrease by roughly 20%.			
Protective Services Explanation	<u>\$0</u>	<u>\$0</u>	
Real Estate Taxes Explanation	<u>\$0</u>	<u>\$0</u>	
Property Insurance Explanation	<u>\$41,301</u>	<u>\$55,342</u>	
Liability Insurance Explanation	<u>\$62,364</u>	<u>\$63,611</u>	
Other General Expenses Explanation	<u>\$2,028</u>	<u>\$2,013</u>	
Total Operating Expenses	\$1,234,095	\$1,140,412	

3 Year Historical Expenses: **2** No New Construction: Provide Historical Operating Expenses

1900 AFS	2010 AFS	2011 AFS	
<u>\$1,244,465</u>	<u>\$1,168,644</u>	<u>\$1,220,459</u>	
PHA Corrected 3 Year Historical Expenses:			
2009 AFS	2010 AFS	2011 AFS	3 Year Average
<u>\$1,244,465</u>	<u>\$1,168,644</u>	<u>\$1,220,459</u>	<u>\$1,211,189</u>

New Construction : Section Not Applicable. No explanation is required.

Explanation

Section 9: Net Operating Income

Presented below is a summary calculation of the proposed project's Net Operating Income. Before proceeding, review and make any necessary changes in the applicable section of the application.

Apartment Gross Potential Rent:

RAD Units	\$1,418,532	169 Units	\$8,394 per unit annual
Market Rate Units	\$0	0 Units	\$0 per unit annual
Other Affordable Units	\$0	0 Units	\$0 per unit annual
Office / Retail GPR	\$0		
Vacancy and Bad Debt Loss	(\$70,927)	5.0% weighted average	
Other Income	\$0		
Effective Gross Income	\$1,347,605		
Total Operating Expenses	(\$1,140,412)	\$6,748 PUPA	
Annual Reserve Deposit	(\$97,175)	\$575 PUPA	
Net Operating Income	\$110,018		

Section 10: First Mortgage Loan Sizing

Are you proposing to take out a first mortgage loan for this project?

No

No first mortgage proposed. Skip this section.

Interest Rate % per Year	?	
Mortgage Insurance Premium %	?	
Amortization Term	?	
Maturity Term	?	
Debt Service Coverage Ratio	?	
Maximum Supportable Mortgage Loan		\$0
Proposed Mortgage Loan Amount	?	
Calculated Annual Debt Service		\$0

Section 11: Total Uses of Funds (Total Development Cost)

Enter uses of funds for the proposed conversion.

Acquisition Costs

Building and Land Acquisition	?	
Payoff Existing Loans		\$0
Other Costs	?	

Construction Costs

	?	\$154,277
--	---	-----------

Relocation Costs

	?	\$0
--	---	-----

Professional Fees

Architecture & Engineering	?	\$7,162
Physical Conditions Assessment	?	\$20,000
Borrower's Legal Counsel	?	\$20,000
Lender's Legal Counsel	?	
Feasibility Studies	?	
Environmental Reports	?	\$8,450
Appraisal / Market Study	?	\$15,000
Accounting	?	
Survey	?	
Other Costs	?	\$5,296

Loan Fees and Costs

FHA MIP	?	
FHA Application Fee	?	
FHA Inspection Fee	?	
Financing Fee	?	
Organizational Costs	?	
Title Insurance/Exam Fee	?	
Recordation Fee	?	\$30,000
Closing Escrow Agent Fee	?	
Prepayment Penalty/Premium	?	
Payables	?	
Construction Interest	?	
Construction Loan Fees	?	
Cost of Bond Issuance	?	
Other Costs	?	\$1,809

Reserves

Initial Deposit to Replacement Reserve	?	\$0
Initial Operating Deficit Escrow	?	
Operating Reserve	?	
Tax and Insurance Escrow	?	
Other Costs	?	

Developer Fees

?	\$55,000
---	----------

Total Development Cost	\$316,994
-------------------------------	------------------

aka Total Uses of Funds

Section 12: Total Sources of Funds

Enter sources of funds for the proposed conversion.

New First Mortgage Loan	\$0
Public Housing Operating Reserves	\$316,994
Public Housing Capital Funds	
Replacement Housing Factor	
Low Income Housing Tax Credit Equity - 4%	
Low Income Housing Tax Credit Equity - 9%	
Other/Local	
Other/Local	
Other/Local	
Total Sources of Funds	\$316,994

Sources and uses are in balance

LIHTCs are not proposed; skip to Section 14

Section 13: Projects Utilizing Low Income Housing Tax Credits ('LIHTCs')

You are not proposing to use LIHTCs. Skip this section.

?

Do you have a LIHTC reservation?

No

Complete the rest of Section 13

Briefly discuss the application submission and approval timing that is provided under the current QAP. Please provide sufficient detail that HUD can understand when you will submit an application, when you will be notified regarding selection, and when a LIHTC Reservation letter would be issued to you.

Discussion of QAP timing

RAD requires that you demonstrate recent success, internally or through development team partners, in obtaining 9% LIHTCs. Below, briefly discuss your capacity and experience in obtaining 9% LIHTCs from the relevant State allocating agency.

Demonstration of recent success obtaining 9% LIHTCs

Do you have a letter from the credit-issuing authority as described in Section 1.9(B) of the RAD Notice? _____

Provide evidence that the applicant diligently attempted to secure such a letter

Efforts to secure letter from credit-issuing authority

RAD requires that you attach a self-scored QAP application. Below, briefly discuss why you believe that a QAP application for the subject project, at the indicated score, is likely to receive a 9% LIHTC award.

Likelihood of obtaining 9% LIHTCs

Section 14: Ranking Factors

No 1) Do you want to designate this project as your PHA's priority project? **?**

No 2) Are you applying for a ranking factor for Choice Mobility? Skip to section Question 3

 (a) Are you receiving choice-mobility vouchers?

 (b) Are you providing choice-mobility vouchers?

No 3) Are you requesting the Ranking Factor for Green Building and Energy Efficiency?

The Housing Authority of the County of Riverside plans to implement many of green features, however, HACR plans to retain the flexibility to choose green features which are most appropriate to the site without the constraints of seeking a particular rating system.

Section 15: Additional Narratives

Provide written responses in the grey highlighted rows below. Please limit each responses to 200 words.

Briefly describe the land, location / neighborhood, and physical plant for the project.

The transaction is a conversion of the entire AMP which is actually five distinct properties. Two phases of one of the properties are in Thermal with one property in each of the following localities, Desert Hot Springs, Cathedral City, Indio, and Mecca. Of the two phases in Thermal, one is a 28-unit property, which was built in 1986 and contains all 2-bedroom units, and the other property is a 25-unit property, which was built in the 1995 and contains sixteen 3-bedroom, seven 4-bedroom, and two 5-bedroom units. The property in Desert Hot Springs is a 42-unit property which was built in 1986 and contains thirty-five 2-bedroom and seven 3-bedroom units. The property in Cathedral City is a 14-unit property which was built in 1985 and contains fourteen 2-bedroom units. The property in Indio is a 20-unit property which was built in 1995 and contains ten 2-bedroom, six 3-bedroom, and four 4-bedroom units. The property in Mecca is a 40-unit property which was built in 1993 and contains twenty 3-bedroom, eighteen 4-bedroom, and two 5-bedroom units.

Discuss any known environmental or building product risks such as lead based paint, asbestos, PCBs, flood zone status, aluminum wiring, and fuel storage tanks (whether underground or above ground), along with associated remediation measures.

While full environmental investigations are still pending, HACR is not aware of any adverse environmental conditions in the soil or in the structure to be rehabilitated.

Discuss any needed accessibility modifications.

?

There are no needed accessibility modifications.

Discuss any known market competitiveness issues, such as small unit sizes or limited on-site parking, and how the conversion plans to address these issues.

There are no known market competitiveness issues, but the conversion and subsequent rehabilitation work will increase the market competitiveness of the properties.

Discuss any proposed relocation plans for the project.

All of the planned work will be done with tenants in place and will not require any tenant relocation.

Discuss the capacity of the development team to undertake the proposed conversion.

?

The Housing Authority of the County of Riverside, who will be the new owner and contractor, is being advised by a high-capacity accounting firm, Smith Marion & Company, a RAD consultant, Recap Real Estate Advisors, and the County Counsel, Jhaila Brown. HACR will supplement this team with other highly experienced team members providing the full range of necessary services from legal to development to construction implementation services, as appropriate for the transaction.

Section 16: Required Attachments

The Following Must Be Attached as Part of Your Electronic Application:

- | | |
|-----|---|
| Yes | Board Approval Form |
| Yes | Evidence of PHA to Administer PBV Contracts |
| No | Mixed-finance Affidavit |
| No | Financing Letter of Interest/Intent for Lender(s) or Equity Investor(s) |
| No | Financing Letter of Interest/Intent for 4% LIHTCs |
| No | Financing Letter of Interest/Intent for 9% LIHTCs |
| No | Choice-Mobility Letter Agreement |
| No | 9% LIHTC Reservation Letter |
| No | Letter from credit-issuing authority |
| No | Self-Scored QAP Application for 9% LIHTCs |
| No | QAP Timeline |
| Yes | Resident Comments |

The 2 attachments indicated 'Yes' above must be included in your electronic application package. Incomplete application packages will be rejected, and if you re-submit, your place on the waiting list will be based on the date of re-submission.

No changes were made to the PIC data

Housing Authority of the County of Riverside RAD Application for DESERT HOT SPRINGS APTS

AMP No:	CA027000230
Units	169

Type of Conversion	
PBV (Project Based Vouchers)	

Proposed Units for Conversion and De Minimis			
Summary	Total Units Proposed for Conversion	Units Proposed to be Reduced	de minimis threshold
	169	0	8
Explanation for de minimis reduction			Unit Count

Pro Forma Sources and Uses		
Sources of Funds	Amount	Per Unit
New First Mortgage Loan	\$0	\$0
Public Housing Operating Reserves	\$316,994	\$1,876
Public Housing Capital Funds	\$0	\$0
Replacement Housing Factor	\$0	\$0
Low Income Housing Tax Credit Equity - 4%	\$0	\$0
Low Income Housing Tax Credit Equity - 9%	\$0	\$0
Other	\$0	\$0
Other	\$0	\$0
Other	\$0	\$0
Total Sources of Funds	\$316,994	\$1,876
Uses of Funds	Amount	Per Unit
Acquisition Costs	\$0	\$0
Construction Costs	\$154,277	\$913
Relocation Costs	\$0	\$0
Professional Fees	\$75,908	\$449
Loan Fees and Costs	\$31,809	\$188
Reserves	\$0	\$0
Developer Fees	\$55,000	\$325
Total Uses of Funds	\$316,994	\$1,876

	<i>Total</i>	<i>PUPA</i>
Gross Potential Rents for RAD Units	\$1,418,532	\$8,394
Gross Potential Rents for Other Apartment Units	\$0	\$0
Gross Potential Rents for Commercial	\$0	N/A
Vacancy Loss and Bad Debt Loss	(\$70,927)	-\$420
Other Income	\$0	\$0
Effective Gross Income	\$1,347,605	\$7,974
Total Operating Expenses	(\$1,140,412)	(\$6,748)
Annual Deposit to Replacement Reserve	(\$97,175)	(\$575)
Net Operating Income	\$110,018	\$651
First Mortgage Debt Service	\$0	\$0
Operating Cash Flow	\$110,018	\$651

PHA's Explanation of Any Relocation of Tenants (Estimated Relocation Cost is \$0)

All of the planned work will be done with tenants in place and will not require any tenant relocation.

PHA's Explanation of Capacity and Experience to Carry Out the RAD Conversion

The Housing Authority of the County of Riverside, who will be the new owner and contractor, is being advised by a high-capacity accounting firm, Smith Marion & Company, a RAO consultant, Recap Real Estate Advisors, and the County Counsel, Jhaila Brown. HACR will supplement this team with other highly experienced team members providing the full range of necessary services from legal to development to construction implementation services, as appropriate for the transaction.

Attachment 1A: Board Approval Form

Housing Authority of the County of Riverside RAD Application for DESERT HOT SPRINGS AP: S

PHA's Explanation of the Proposed Total Operating Cost being less than 85% of the 3 Year Historical Operating Expenses

3 Year Historical Average Comparison	2009	2010	2011	Average	Proposed
	\$1,244,465	\$1,168,644	\$1,220,459	\$1,211,189	\$1,140,412

N/A

PHA's Explanation of the Capital Needs and Replacement Reserves Estimates

These estimates are based off Capital Needs Assessments with input from the property managers.

Discussion of QAP timing

N/A

Demonstration of recent success obtaining 9% LIHTCs

N/A

Likelihood of obtaining 9% LIHTCs

N/A

I hereby certify to the following: (1) that I have the requisite authority to execute this application on behalf of the owner; (2) that HUD can rely upon this certification in evaluating the Application; (3) that I acknowledge that I have read and understand PIH Notice 2012-32 (the "Notice"), which describes the Rental Assistance Demonstration (RAD) (the "Program"), and agree to comply with all requirements of the Program or Notice; (4) that all materials submitted in association with the application are accurate, complete and not misleading; (5) that the application meets all applicable eligibility requirements for the Program set forth in the Notice; (6) that the owner approves the creation of a single-asset entity of the affected project if required by the lender to facilitate financing; (7) that, if selected for award, the owner will comply with the fair housing and civil rights requirements at 24 CFR 5.105(a) (general requirements) and will affirmatively further fair housing; (8) that there are no debarments, suspensions, or Limited Denials of Participation in Federal programs lodged against the applicant, PHA Executive Director, Board members, or affiliates; (9) that this Board Approval Form has been approved by the Board of Commissioners on the date noted below; and (10) that, if selected for an award, the PHA will comply with all provisions of HUD's Commitment to Enter into a HAP (CHAP), which shall indicate the HUD-approved terms and conditions for conversion of assistance, or will indicate to HUD within 15 days that it is refusing the terms of the CHAP and withdrawing from RAD participation.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties (18 USC Sections 1001, 1010, 1012; 31 USC Sections 3729, 3802)

PHA Certification: By Heidi Marshall (Executive Director)

Signature:

Date:

FORM APPROVED COUNTY COUNSEL

By: Heidi P. Brown 8-26-14
JAILA R. BROWN DATE

ATTACHMENT D

RENTAL ASSISTANCE DEMONSTRATION (RAD)

NOTICE TO RESIDENTS

and

RAD MEETINGS Questions and Answers



HOUSING AUTHORITY of the County of Riverside

Main Office
5555 Arlington Avenue
Riverside, CA 92504-2506
(951) 351-0700
FAX (951) 354-6324
TDD (951) 351-9844

July 17, 2014

NOTICE TO RESIDENTS

Indio Office
44-199 Monroe, Ste. B
Indio, CA 92201
(760) 863-2828
(760) 863-2838 FAX
TDD (760) 863-2830

Website: harivco.org

Per PIH Notice 2012-32 (HA) issued on July 20, 2012, the Housing Authority of the County of Riverside (HA) has chosen to participate in HUD's new Rental Assistance Demonstration (RAD). This program allows our HA to submit an application to convert housing assistance to long-term, project-based Section 8 rental assistance contracts for residents in our 469 Public Housing units throughout Riverside County.

You are hereby invited to attend one of the scheduled informational meetings below at the Housing Authority Offices.

Riverside: 5555 Arlington Ave. Riverside, CA 92504

Indio: 44-199 Monroe Ste B, Indio, CA 92201

Meeting Dates are:

Monday, July 21, 2014 from 9 am – 11 am

Monday, July 28, 2014 from 9 am – 11 am

If you have any questions, please call your Property Manager.
Thank you. We look forward to hearing your input.

Rental Assistance Demonstration (RAD)

Resident Meetings Qs and As

Presided by: Jim Carpenter, Sharon Espejo, Martha Ledesma and Ofelia Romero

July 21, 2014 and July 28, 2014, 9am – 11am

Introduction: The resident meetings were held at the Housing Authorities offices in the Riverside (West County) and Indio (East County). The purpose of the meetings is to fulfill the requirements identified in PIH Notice 2012-32, which directs all Housing Authorities applying for RAD to notify residents of projects about the proposal for conversion and provide opportunity for comment.

Q: What is RAD?

A: RAD allows projects funded under the Public Housing Program to convert their assistance to long-term, project-based Section 8 rental contracts.

Q: What is the difference between this assistance from the Section 8 program that the Housing Authority is currently managing?

A: Tenants receiving assistance through a RAD conversion would have to live in their current covered projects for one year because the housing assistance funds are tied to the project; which means if tenants leave these projects, they will lose their assistance. On the other hand, with the Section 8 program that the Housing Authority is managing, tenants have the ability to choose a home within Riverside County or transfer (port-out) to another jurisdiction that administers a Section 8 Program.

Q: What are the advantages of implementing the RAD Program?

A: The Public Housing Program has been underfunded for a number of years and funding for the Capital Program has continually decreased; RAD will allow the Housing Authority to receive a more stable funding stream through the implementation of the Section 8 Program. The Housing Authority will be more equipped to achieve its goal of doing more capital repairs and preventive maintenance through a steady income.

On the residents' side, capital investment in the sites will improve living conditions. Further, RAD provides choice-mobility to those who would like to move to a home of their choice or to port into other counties/cities through a tenant-based Section 8 voucher assistance.

Q: How many units will be converted to RAD?

A: The Housing Authority is applying to convert all 469 units currently with the Public Housing Program.

Q: Why were the tenants required to attend this meeting if nothing is changing and they cannot get a voucher to move from Public Housing right now?

A: This was an informational meeting and attendance is voluntary. This meeting was a requirement of the application process for the RAD conversion, and an opportunity for current residents of the Housing Authority's Public Housing sites to ask questions and share their comments.

Q: Do we (tenants) have to move after the one year tenancy in the covered projects?

A: No. Tenants have the choice to stay in the covered projects or choose to apply for Section 8 voucher assistance.

Q: Are we (tenants) able to move to another home after a year?

A: Yes, this is possible if tenants are accepted in the Section 8 Program.

Q: Do all tenants that apply for Section 8 assistance automatically get a voucher after one year?

A: Tenants who apply for Section 8 assistance and have resided in the covered projects for one year are moved to the top of the Section 8 waiting list and will have first preference in receiving vouchers pending availability of vouchers and funding.

Q: What if the waiting list is already closed for Section 8, how will tenants apply?

A: The waiting list will not be opened but residents of the covered projects will be added to the top of the existing waiting list.

Q: Is a tenant able to receive a Section 8 voucher after one year of tenancy in the covered units even if he/she does not meet the rent burden criteria, which is one of the preferences for eligibility in our Housing Authority's Section 8 Program?

A: Yes. A tenant coming from a covered project is exempted from the "rent burden" qualification of Section 8 if that is a current preference for the Housing Authority's Section 8 Program.

Q: If a tenant is already on the Section 8 waiting list, does he/she need to re-apply to move up to the waiting list.

A: No. When a tenant of a covered project has completed his/her one year tenancy and wishes to get a Section 8 voucher, his/her file will be moved up to the waiting list and will be eligible for a voucher pending availability of a voucher and funding capability. It is encouraged that the tenant double check with the receptionist about his/her place in the waiting list. If he/she has been purged from the waiting list, then he/she will be able to apply again one year after the RAD program is in place. Since the Section 8 waiting list is closed at this time, the Housing Authority is not accepting applications.

Q: When will the Housing Authority start the RAD conversion? What phase are we in the application process?

A: At this time, the Housing Authority is still in the process of applying. If the Housing Authority has been given a notice to proceed, there will be another resident meeting 30 days prior to implementation of the conversion to RAD.

Q: Will there be any rent increases upon conversion?

A: There may be an increase depending on the tenant's income and qualifications for the Section 8 Program. If a tenant's monthly rent increases by more than the greater of 10% or \$25 due to the conversion, the rent increase will be phased in over 3 to 5 years.

Q: Are there are preferences for families with minors?

A: No. However, the rent calculations take dependents into consideration.

Q: Are the tenants allowed visitors in their home if they are in a Section 8 Program?

A: Yes. However, just like in the Public Housing Program, there are rules to follow in making sure that the visitors do not permanently stay in the home.

Q: Can tenants apply for the FSS Program?

A: Yes, they can; as soon as they have a Section 8 voucher.

Q: After a tenant moves to Section 8, will he/she have to do community service?

A: No. Community service is not a requirement for the Section 8 Program.

ATTACHMENT E

RENTAL ASSISTANCE DEMONSTRATION (RAD)

RESIDENT COMMENTS



HOUSING AUTHORITY of the County of Riverside

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HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE

Resident/Public Comment Form re: RAD Meeting 7/28/14

Name Josefina Mallat Telephone # (760) 335 6318
Address 34355 Carregider Dr. # H Cathedral City, CA 92234
Email address N/A

Please circle the appropriate answer.

Are you a Resident? yes no

Comments (Please attach additional sheets if necessary):

Thank you. This informational mtg. was
very helpful. I look forward to any
future updates/information.

Josefina Mallat



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Indio, CA 92201
(760) 863-2828
(760) 863-2838 FAX
TDD (760) 863-2830

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE
Resident/Public Comment Form re: RAD Meeting 7/28/14

Comments (Please attach additional sheets if necessary):

1. $\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$ (1/4 of the area)
 2. $\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$ (1/4 of the area)
 3. $\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$ (1/4 of the area)
 4. $\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$ (1/4 of the area)
 5. $\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$ (1/4 of the area)
 6. $\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$ (1/4 of the area)
 7. $\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$ (1/4 of the area)
 8. $\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$ (1/4 of the area)
 9. $\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$ (1/4 of the area)
 10. $\frac{1}{2} \times \frac{1}{2} = \frac{1}{4}$ (1/4 of the area)



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HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE Resident/Public Comment Form re: RAD Meeting 7/28/14

Name Sylvia Garza Aleman Telephone # (760) 698-0019
Address 87-045 Church St. APT A
Email address _____

Please circle the appropriate answer.

Are you a Resident? yes / no

Comments (Please attach additional sheets if necessary):

who this may concern.
my name is Sylvia Garza Aleman 51 years old
I have one child, Michael Jose (12) Aleman Sr.
until August 16, 2015. I am very excited and grateful
to know that there is joining with Section 8.
I am living now at 87-045 Church St. APT A. I have applied for
Hud. I am on the list for Section 8. I am
I am asking if you would be contacting
us. After a while being on Section 8. If yes
can you contact me at (760) 698-0019
Thank you so much.
Have a good day God Bless.

Answered Question: Yes, she will be notified.



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Website: harivco.org

HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE Resident/Public Comment Form re: RAD Meeting 7/28/14

Name Celia Morietta Telephone # (720) 454-9863
Address 13588 Don English Way Apt B Desert, CA 92210
Email address _____

Please circle the appropriate answer.

Are you a Resident? yes / no

Comments (Please attach additional sheets if necessary):

I am currently a student and I am having trouble to
commuting to studies but requires me to migrate to
a different country. I have a very difficult financial
situation and me and my daughter need assistance
out from this program. I really hope that Housing
takes in consideration those of us who need extremely
this opportunity and those of us who want to succeed
career wise. I only want to give my daughter a
better future please give us priority.
Please also reopen Sec B to those of us who
are not on waiting list for a chance to apply
now.