

FORM APPROVED COUNTY COUNSEL
 BY: GREGORY P. PRIAMOS
 DATE: 12/15/14

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

707



FROM: Economic Development Agency

SUBMITTAL DATE:
 December 30, 2014

SUBJECT: Substantial Amendment to the 2014-2015 One Year Action Plan, District 2/District 2 & District 3/District 3, [\$1,391,500], HOME Investment Partnership Act Funds 100%

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the substantial amendment of the 2014-2015 One Year Action Plan of the 2015-2019 Five-Year Consolidated Plan to add and cancel the projects listed in the Background Summary of this document, which are also fully described in Attachment A.

BACKGROUND:

Summary

(Commences on Page 2)

Robert Field
 Assistant County Executive Officer/EDA

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 1,391,500	\$ 0	\$ 1,391,500	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: HOME Investment Partnership Act Funds	Budget Adjustment: No
	For Fiscal Year: 2014/15

C.E.O. RECOMMENDATION:

APPROVE

BY:
 Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Benoit and Ashley
 Nays: None
 Absent: None
 Date: January 13, 2015
 xc: EDA

Kecia Harper-Ihem
 Clerk of the Board
 By:
 Deputy

Prev. Agn. Ref.: 9.1 of 5/6/14 | District: 2 & 3 | Agenda Number:

3-4

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, AUDITOR-CONTROLLER
 BY:
 Esteban Hernandez

Departmental Concurrence

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

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

Economic Development Agency

FORM 11: Substantial Amendment to the 2014-2015 One Year Action Plan, District 2/District 2 & District 3/District 3, [\$1,391,500], HOME Investment Partnership Act Funds 100%

DATE: December 30, 2014

PAGE: 2 of 2

BACKGROUND:

Summary

The U.S. Department of Housing and Urban Development (HUD) requires that all substantial amendments to the County's Five-Year Consolidated Plan (Consolidated Plan) and the One-Year Action Plan are subject to the citizen participation process and are approved by the Board of Supervisors and HUD. The Consolidated Plan represents an application to HUD for entitlement funds under three entitlement programs as well as a housing and community development policy and planning document. The three HUD entitlement programs are: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant [formerly the Emergency Shelter Grant] (ESG). The One Year Action Plan addresses, and implements the priorities, goals, and objectives of the Consolidated Plan.

In accordance with the County of Riverside Citizen Participation Plan for the 2015-2019 Five Year Consolidated Plan (Citizen Participation Plan), all new activities added to the One-Year Action Plan, as well as any significant increases in funding to an existing project, are considered to be substantial amendments.

Orange Blossom III, the proposed new HOME project, has been determined by staff to be an eligible activity that meets a National Objective of the HOME program. Staff recommends cancelling funding for the Mustang Lane Apartments project because the project developer was unable to obtain the necessary entitlements and financing for the construction of project. Staff also recommends canceling funding for the Orange Blossom II Apartments project because the project developer was unable to acquire the real property needed for the project. A description of the aforementioned proposed amendments to the 2014-2015 One Year Action Plan are set forth in Attachment A. Staff recommends approval of the project actions listed below as substantial amendments to the 2014-2015 One Year Action plan:

Orange Blossom III	\$1,265,000	Add New HOME Project
Orange Blossom III	\$ 126,500	Add Direct Staffing Cost (10%)
Mustang Lane Apartments	\$1,500,000	Cancel HOME Project
Orange Blossom II Apartments	\$ 521,400	Cancel HOME Project

Pursuant to 24 CFR 91.105 and the Citizen Participation Plan, the Economic Development Agency published the required public notices notifying the public of the comment period for the proposed substantial amendments to the 2014-2015 One-Year Action Plan, of the 2015-2019 Five-Year Consolidated Plan. No public comments have been received.

Impact on Citizens and Businesses

The substantial amendment to the One Year Action Plan will have a positive impact on citizens and businesses throughout the County of Riverside. New projects create construction, maintenance and property management jobs as well as provide affordable housing for residents.

Attachments:

Attachment A-Amendment Action and Project Descriptions

Attachment B-Public Notice and Proof of Publication

Attachment A

Amendment Action and Project Descriptions

2 pages

Amendment Action:

The County of Riverside 2014-2015 One-Year Action Plan of the 2015-2019 Five-Year Consolidated Plan is amended as follows:

1. "Orange Blossom Apartments III" is added to the HOME program list of funded activities;
2. "Orange Blossom II" and "Mustang Lane Apartments" are canceled and removed from the HOME program list of funded activities; and
3. The County of Riverside 2014-2015 One-Year Action Plan is hereby amended to allow for an added allocation of HOME funds for each project towards direct project staffing in an amount not exceed 10% of the total HOME funds approved for each project.

The projects are fully described as follows:

Added Projects:

Project: Orange Blossom III
Eligibility: 24 CFR §92.205(a)(1)
Sponsor: Riverside Housing Development Corporation
Address: 4250 Brockton Avenue, Riverside, CA 92501
Funding Source: HOME Investment Partnership Act
Project Funding: **\$1,265,000**
EDA Direct Staffing: **\$126,500**
Benefit: Housing for low-income households
Number Served: Total 7 households (7 HOME units)

Site Location: 41933 and 41883 Orange Blossom Lane, Hemet CA 92544 (Community of Valle Vista), Assessor Parcel Numbers: 438-110-056 and 438-110-060.

Project Description: In an ongoing effort to revitalize Orange Blossom Lane, formerly known as Marine Drive, in the Community of Valle Vista in the unincorporated area of Riverside County, RHDC, a certified Community Housing Development Organization, is proposing to use \$1,265,000 in HOME funds for the acquisition and rehabilitation of two existing buildings, one building consisting of three units and one building consisting of four units. The proposed project will consist of six 2-bedroom units and one 3-bedroom unit. The two bedroom units are approximately 800 square feet and the three bedroom unit is approximately 1078 square feet. The units will be reserved for qualified low-income households. The total development cost is anticipated to be \$1,490,000.

Canceled Projects:

Project: **Orange Blossom II Apartments**
Eligibility: 24 CFR §92.205(a)(1)
Sponsor: Riverside Housing Development Corporation
Address: 4250 Brockton Avenue, Riverside, CA 92501
Funding Source: HOME Investment Partnerships Act
Project Funding: **\$474,000**
EDA Direct Project Staffing: **\$47,400**
Total HOME funding: **\$521,400**
Benefit: Housing for low-income households
Number Served: Total 3 households (3 HOME units)
Site Location: 41945 Orange Blossom Lane in the community of Valle Vista outside of the City of Hemet, Assessor Parcel Number: 438-110-061.

Project Description: Riverside Housing Development Corporation (RHDC), a nonprofit affordable housing developer and certified Community Housing Development Organization, proposed to use \$474,000 in HOME funds for a second phase of acquisition and rehabilitation. The project proposed to acquire and rehabilitate a three-unit property for qualified low-income family households, consisting of one three-bedroom unit and 2 two-bedroom units. The total cost of development was estimated to be \$594,000. The project was cancelled as RHDC was unable to acquire the properties.

Project: **Mustang Lane Apartments**
Eligibility: 24 CFR §92.205(a)(1)
Sponsor: Mustang Affordable Homes LLC
Address: 1291 Puerta del Sol, Suite 200, San Clemente, CA 92673
Funding Source: HOME Investment Partnerships Act
Project Funding: **\$1,500,000**
Benefit: Housing for low-income households
Number Served: 11 HOME units
Site Location: Northwest corner of Larue Street and Mission Blvd in the City of Jurupa Valley, with Assessor's Parcel Number: 177-250-029.

Project Description: Mustang Affordable Homes LLC, a California Limited Liability Company (the "Applicant"), proposed to use \$1,500,000 in HOME funds for the development and construction of a twenty two (22) unit multi-family affordable housing complex for U.S. veterans in the City of Jurupa Valley in the County of Riverside. The proposed project, consisted of three (3) one bedroom units, fifteen (15) two bedroom units, and four (4) three bedroom units. The total cost of development was estimated to be \$5,304,698. This project was cancelled as applicant was unable to obtain necessary entitlements for the construction of project and necessary financing.

Attachment B

Public Notices

3 pages

PUBLIC NOTICE

December 12, 2014

Riverside County Board of Supervisors
County Administrative Center
4080 Lemon Street, 5th Floor
Riverside, California 92501

(951) 343-5455 Stephanie Adams

TO ALL INTERESTED AGENCIES, GROUPS, AND PERSONS:

The Economic Development Agency hereby notifies concerned members of the public pursuant to 24 CFR §91.505 of its intent to amend the 2014-2015 One Year Action Plan. This amendment reports on a substantial change to the Action Plan. A substantial change occurs if the use of funds is changed from one eligible activity to another; a new, proposed activity is funded that was not described in the Consolidated Plan; an increase in the amount of Community Planning and Development (CPD) funds allocated to an existing activity; or a funded activity described in the Consolidated Plan is canceled.

The following summary presents an overview of proposed projects that will be added to the HOME Investment Partnerships Act (HOME) program list of funded activities as well as previous activities described in the Consolidated Plan that will be cancelled:

Added Project:

Orange Blossom III – Acquisition and rehabilitation of two existing buildings in the City of Hemet (Community of Valle Vista) consisting of a total of 7 units. Total project funding allocation: \$1,391,500 including a 10% allocation for direct project staffing.

Cancelled Projects:

Mustang Lane Apartments- Construction of 22 multi-family units for Veterans in the City of Jurupa Valley. Total project funding allocation: \$1,500,000.

Orange Blossom II- Acquisition and rehabilitation of a three unit property in the City of Hemet (Community of Valle Vista). Total project funding allocation: \$521,400 including a 10% allocation for direct project staffing.

It is anticipated that the Board of Supervisors will take action on the amendment at its regular meeting to be held on or about **January 13, 2015**, in the meeting room of the Board of Supervisors, Riverside County, Administrative Center, 4080 Lemon Street, Riverside, California. Any interested person wishing to comment may submit written comments to Riverside County Economic Development Agency, 5555 Arlington Ave, Riverside, CA 92504, Attention: Stephanie Adams, Housing Specialist, by **January 12, 2015** or may appear and be heard at the time of approval on or about **January 13, 2015**.

AVISO PÚBLICO

12 de diciembre 2014

Riverside County Board of Supervisors
County Administrative Center
4080 Lemon Street, 5th Floor
Riverside, California 92501

(951) 343-5455 Stephanie Adams

A TODOS LOS INTERESADOS AGENCIAS, GRUPOS Y PERSONAS:

La Agencia de Desarrollo Económico comunica por medio de la presente a miembros interesados del público de conformidad con 24 CFR §91.505 de su intención de modificar el Plan de Acción de Un Año 2014-2015. Esta enmienda informa sobre un cambio sustancial en el Plan de Acción. Un cambio sustancial se produce si el uso de los fondos se cambia de una actividad elegible a otro; una nueva actividad propuesta es financiado que no se describe en el plan consolidado; un aumento en la cantidad de fondos asignados a una actividad existente Planificación y Desarrollo Comunitario (CPD); o una actividad financiada descrito en el Plan Consolidado se cancela.

El siguiente resumen presenta una visión general de los proyectos propuestos, que se añadirá a la Ley de Asociaciones para Inversión (HOME) lista de programas de actividades financiadas, así como actividades previas descritas en el plan consolidado que serán cancelados:

Añadido Proyecto:

Orange Blossom III - Adquisición y rehabilitación de dos edificios existentes en la ciudad de Hemet (Comunidad de Valle Vista) que consta de un total de 7 unidades. Dotación total de la financiación del proyecto: \$ 1,391,500 incluyendo una asignación del 10% de la dotación de personal directa de proyectos.

Proyectos cancelados:

Mustang Lane Apartments- Construcción de 22 unidades multifamiliares para los veteranos en la Ciudad de Jurupa Valley. Total de la asignación de fondos del proyecto: \$ 1,500,000.

Orange Blossom II- Adquisición y rehabilitación de un inmueble de tres unidades en la Ciudad de Hemet (Comunidad de Valle Vista). Dotación total de la financiación del proyecto: \$ 521,400 incluyendo una asignación del 10% de la dotación de personal directa de proyectos.

Se prevé que la Junta de Supervisores adoptará una decisión sobre la modificación, en su reunión ordinaria que se celebrará el o alrededor del **13 de enero 2015**, en la sala de reuniones de la Junta de Supervisores del Condado de Riverside, Administrative Center, 4080 Lemon Street, Riverside , California. Cualquier persona interesada que deseen comentar podrán hacer observaciones a la Agencia del Condado de Riverside Desarrollo Económico, 5555 Arlington Ave, Riverside, CA 92504, Atención escrito: Stephanie Adams, Housing Specialist, por **12 de enero 2015** o puede aparecer y ser escuchado en el momento de la aprobación el o alrededor del **13 de enero 2015**.