

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



**FROM :** HOUSING AUTHORITY

**SUBMITTAL DATE:**  
September 27, 2016

**SUBJECT:** Approval of Project Based Voucher Agreement to Enter into Housing Assistance Payments Contract for Madera Vista Apartments Phase 3, Located in the City of Temecula, Between the Housing Authority of the County of Riverside and Summerhouse Housing 3, L.P.; District 3, [\$0] No Further CEQA Action Required

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

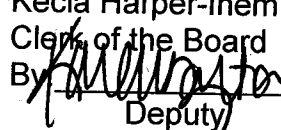
1. Affirm that the environmental effects of the Project Based Voucher (PBV) Agreement to Enter into Housing Assistance Payments Contract (AHAP Contract) for Madera Vista Apartments Phase 3 (Project) will not have a significant effect on the environment. Any potential significant effects of the Project have been adequately analyzed and addressed by the City of Temecula, as Lead Agency, under Planning Application No. PA05-0235, formerly known as Silver Oaks, Initial Study/Mitigated Negative Declaration (MND) and the Mitigation Monitoring Program (MMP) filed on May 18, 2006 with the Riverside County Clerk's Office. Acting as a Responsible Agency, the County of Riverside Board of Supervisors has considered the MND/MMP pursuant to the California Environmental Quality Act (CEQA) and finds no substantial changes to the Project or circumstances under which the Project will be undertaken have occurred necessitating further environmental documentation;

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**MINUTES OF THE HOUSING AUTHORITY BOARD OF COMMISSIONERS**

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

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley  
Nays: None  
Absent: None  
Date: October 25, 2016  
xc: Housing Authority, Recorder

Kecia Harper-Ihem  
Clerk of the Board  
By   
Deputy

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2. Affirm the Finding of No Significant Impact adopted by the Board of Supervisors on July 14, 2009 and adoption of the Re-evaluation of Environmental Assessment on April 26, 2016 for the Project concluding that the Project is not an action which may affect the quality of the environment pursuant to the provisions of the National Environmental Policy Act of 1969 (NEPA) and under the implementing regulations at 24 CFR Parts 50 and 58;
3. Approve the attached form of Project Based Voucher (PBV) Agreement to Enter into Housing Assistance Payments Contract (AHAP Contract) between the Housing Authority of the County of Riverside and Summerhouse Housing 3, L.P., a California limited partnership, relating to seven U.S. Housing and Urban Development (HUD) Housing Choice Voucher Program Project Based Vouchers;
4. Authorize the Executive Director of the Housing Authority of the County of Riverside to execute an AHAP Contract conforming in form and substance to the attached AHAP Contract and to take all necessary steps to implement the AHAP Contract, including, but not limited to signing subsequent necessary and relevant documents, subject to approval by County Counsel; and
5. Direct Housing Authority staff to file the Notice of Determination within five working days.

**Policy**

**BACKGROUND:**

**Summary**

Summerhouse Housing 3, L.P. (Developer) submitted a proposal pursuant to a Request for Proposals for Project Based Vouchers released by the Housing Authority of the County of Riverside (HACR) on August 26, 2015, wherein Developer requested seven Housing Choice Voucher Program (HCVP) Project Based Vouchers (PBVs) for Madera Vista Apartments Phase 3, a 30-unit multi-family affordable rental housing complex located in the City of Temecula (Proposed Project).

The Proposed Project is located at 44155 Margarita Road, Temecula, California identified as Assessor's Parcel Number 959-080-033 (Project Site). The Proposed Project is the third and final phase of a 110-unit development. Phase 1 consisted of 20 units completed in January 2011 and Phase 2 consisted of 60 units completed in June 2014, both of which did not receive financial assistance from the HACR and are currently in operation. The total size of the Project Site is approximately 6.8 acres. The Proposed Project will utilize approximately 1.18 of the 6.8 acres.

The Proposed Project will be comprised of 3 one-bedroom units, 14 two-bedroom units, and 13 three-bedroom units. The one-bedroom units are approximately 756 square-feet, the two-

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bedroom units are approximately 990 square-feet and the three-bedroom units are approximately 1,161 square-feet. Phases 1 and 2 and the Proposed Project will be owned by separate limited partnerships that share the same general partner, BRIDGE SC, LLC, a California limited liability company, whose single member is Developer. This structure was established for tax credit purposes. Phase 1, 2 and the Proposed Project will have common property management and share use of all site amenities including community buildings, laundry facilities and swimming pool. The owners of Phases 1 and 2 and the Proposed Project will enter into a joint use agreement to allow tenants to enjoy all site common areas and amenities including two community buildings, two swimming pools, central laundry facility, basketball court, bocce ball and open picnic area. The Proposed Project incorporates a range of features to meet the needs of the targeted family population including: outdoor play spaces for children of various ages and community rooms with dedicated spaces for educational classes.

Prior to the issuing of the PBVs, the U.S. Department of Housing and Urban Development (HUD) requires HACR and Developer to enter into a PBV Agreement to Enter into Housing Assistance Payments Contract (AHAP Contract), a form of the proposed AHAP Contract is attached. Under the proposed AHAP Contract, Developer agrees to develop the Proposed Project and upon timely completion of such development and in accordance with HUD requirements, HACR will enter into contract for Housing Assistance Payments (HAP) with developer for a term of 15 years. Under the proposed AHAP Contract, construction is required to begin by January 1, 2017.

As part of the HUD requirements the HACR is required to conduct a subsidy layering review through the California Tax Credit Allocation Committee (TCAC) prior to the execution of the AHAP Contract and comply with the National Environmental Protection Agency Act (NEPA). Following TCAC's completion and approval of the subsidy layering review, if this item is approved by the Board, the Executive Director of the HACR will execute an AHAP Contract that shall conform in form and substance to the attached AHAP Contract.

On July 14, 2009, the Board of Supervisors adopted a Finding of No Significant Impact (2009 EA) for the Proposed Project and concluded that the Proposed Project is not an action which may affect the quality of the environment pursuant to the provisions of the National Environmental Policy Act of 1969 (NEPA) and under the implementing regulations at 24 CFR Parts 50 and 58. On April 26, 2016, the Board of Supervisors adopted a Re-evaluation of Environmental Assessment which re-evaluated the 2009 EA in accordance with 24 CFR Part 58.47 to account for: a decrease in units from 110 units to 30 units; a decrease in funding from \$2,500,000 in NSP funds to \$1,000,000 in NSP funds; a decrease in the estimated total project budget from \$25,000,000 to approximately \$9,600,000; and addition of seven HCVP PBVs. The Board of Supervisors and Board of Commissioners concurrently approved the Request for Release of Funds based on staff's conclusion that all environmental factors considered in the 2009 EA are still valid. Therefore, no new environmental review is required for the proposed AHAP Contract pursuant to NEPA.

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The Riverside County Board of Supervisors, as the appropriate Responsible Agency for purposes of CEQA, considered CEQA findings by the City of Temecula, as Lead Agency, and adopted the Mitigated Negative Declaration (MND) and the Mitigation Monitoring Program (MMP). The proposed AHAP Contract falls within the scope of the analysis and no substantial changes to the Proposed Project or circumstances under which the Proposed Project will be undertaken have occurred. Therefore, no new environmental review is required for the proposed AHAP Contract.

County Counsel has reviewed and approved as to form the attached form of AHAP Contract. Staff recommends that the Board of Commissioners approve and authorize the Executive Director of the Housing Authority of the County of Riverside to execute an AHAP Contract substantially conforming in form and substance to the attached form of AHAP Contract and to take all necessary steps to implement the attached AHAP Contract, including, but not limited to signing subsequent necessary and relevant documents, subject to approval by County Counsel.

**Impact on Citizens and Businesses**

The construction of the 30 unit multi-family apartment complex will have a positive impact on citizens and businesses and it will result in the construction, maintenance and management jobs as well as provide affordable housing with supportive services to residents.

**Attachments:**

- A. Form of AHAP Contract
- B. Notice of Determination



Original Negative Declaration/Notice of Determination was routed to County Clerks for posting on.

10/25/16  
Date

Via H.A.  
Initial

**Notice of Determination**

To:  Office of Planning and Research  
For U.S Mail: Street Address:  
P.O. Box 3044 1400 Tenth St.  
Sacramento, CA 95812-3044 Sacramento, CA 95814

From: Public Housing Authority of the County of Riverside  
Agency: Riverside  
Address: 5555 Arlington Avenue  
Riverside, CA 92504  
Contact: Mervyn Manalo, Housing Specialist  
Phone: (951) 343-5495

County Clerk  
County of: Riverside  
2724 Gateway Drive  
P.O. Box 751  
Address: Riverside, CA 92502-0751

Lead Agency (if different from above):  
Address: City of Temecula, Planning Department  
43200 Business Park Drive  
Temecula, CA 92590  
Contact: Harmony Linton, Assistant Planner  
Phone: (951) 694-6400

**SUBJECT: Filing of Notice of Determination in Compliance with Section 21108 or 21152 of the public Resources Code.**  
State Clearinghouse Number (if submitted to State Clearinghouse): \_\_\_\_\_

Project Title: Madera Vista Apartments Phase 3 (formerly Silver Oaks and Summerhouse Apartments)

Project Location (include county): County of Riverside-Assessor Parcel Number 959-080-033

Project Description:  
The Housing Authority of the County of Riverside (HACR) intends to provide seven (7) Housing Choice Voucher Program (HCVP) Project Based Vouchers (PBVs) for Madera Vista Apartments Phase 3, a 30-unit multi-family affordable rental housing complex located in the City of Temecula (Project). Any potential significant effects of the Project have been adequately analyzed and addressed by the City of Temecula, as Lead Agency, under Planning Application No. PA05-0235, formerly known as Silver Oaks, Initial Study/Mitigated Negative Declaration (MND) and the Mitigation Monitoring Program (MMP) filed on May 18, 2006 with the Riverside County Clerk's Office. Acting as a Responsible Agency, the County of Riverside Board of Commissioners has considered the MND/MMP pursuant to the California Environmental Quality Act (CEQA) and finds no substantial changes to the Project or circumstances under which the Project will be undertaken have occurred necessitating further environmental documentation. The Project will not result in any new significant environmental effects not identified in the MND/MMP, nor will it substantially increase the severity of the environmental effects identified in the MND/MMP. In addition, no considerably different mitigation measures have been identified and no mitigation measures found infeasible have become feasible.

Project Sponsor: Summerhouse Housing 3, L.P., a California limited partnership

This is to advise that the Riverside County Board of Commissioners approved the above project on

Lead agency or  Responsible Agency  
October 25, 2016 and has made the following determinations regarding the above described project:  
(tentative date)

1. The County of Riverside considered the Initial Study/Mitigated Negative Declaration (MND) and the Mitigation Monitoring Program (MMP) filed on May 18, 2006 with the Riverside County Clerk's Office as prepared and adopted by the City of Temecula, Planning Application No. PA05-0235.
2. The Project will not have a significant effect on the environment.

The Mitigated Negative Declaration is available to the General Public at:  
Housing Authority of the County of Riverside  
5555 Arlington Avenue, Riverside, CA 92504

Signature: (Public Agency) \_\_\_\_\_ Title: John J. Benoit, Chairman, Board of Supervisors

Date: \_\_\_\_\_ Date received for filing at OPR: \_\_\_\_\_