

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



ITEM: 10.1
(ID # 22328)

MEETING DATE:

Tuesday, July 11, 2023

FROM : HOUSING AUTHORITY:

SUBJECT: HOUSING AUTHORITY: Approve the Form of the Exclusive Negotiation Agreement between the Housing Authority of the County of Riverside and Northtown Housing Development Corporation in Connection with a Proposed Affordable Rental Housing Project, located in the City of Jurupa Valley; District 2. [\$0]; CEQA Exempt (Clerk of the Board to File the Notice of Exemption)

RECOMMENDED MOTION: That the Board of Commissioners:

1. Find that the Exclusive Negotiation Agreement (ENA) does not constitute a project under the California Environmental Quality Act (CEQA) and does not vest any development rights and will not result in any physical change to the environment. The ENA requires the developer to obtain all necessary land use approvals and entitlements from the City of Jurupa Valley including compliance with CEQA. As the jurisdiction exercising land use control over the Property, the City of Jurupa Valley will be the lead agency for purposes of CEQA. The ENA does not commit the lead agency to any definite course of action or foreclose alternatives or mitigation measures that would ordinarily be part of CEQA review;

Continued on Page 2

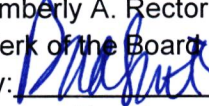
ACTION:Policy


Heidi Marshall, Director of Housing & Homelessness Prevention 6/27/2023

MINUTES OF THE BOARD OF COMMISSIONERS

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

Ayes: Jeffries, Spiegel and Gutierrez
Nays: None
Absent: Washington
Date: July 11, 2023
xc: Housing Authority, Recorder

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

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

RECOMMENDED MOTION: That the Board of Commissioners:

2. Approve the attached form of Exclusive Negotiation Agreement (ENA) between the Housing Authority of the County of Riverside and Northtown Housing Development Corporation, a California nonprofit public benefit corporation, in connection with the proposed affordable housing project, located in the City of Jurupa Valley;
3. Authorize the Executive Director, or designee, to execute the ENA conforming in form and substance to the attached ENA, subject to approval as to form by County Counsel;
4. Authorize the Executive Director, or designee, to take all necessary steps to implement and administer the attached ENA, including, but not limited to, signing subsequent necessary and relevant documents, exercising the option to extend the ENA for one year, and executing amendments, subject to County Counsel's approval; and
5. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk within 5 business days.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment:	No
			For Fiscal Year:	2022/23

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The Housing Authority of the County of Riverside (HACR) is the current owner of approximately 4.43 acres of land located in the City of Jurupa Valley, more specifically identified as Assessor Parcel Numbers 179-330-002, 179-330-003 and 179-330-005 (Property). The Property was acquired by the former Redevelopment Agency for the County of Riverside in July of 2006 for approximately \$2,843,000 in Redevelopment Low- and Moderate-Income Housing Tax Exempt Bond proceeds.

On October 6, 2015 (Minute Order 10-1), the HACR Board of Commissioners approved an Exclusive Negotiation Agreement (ENA) with Northtown Housing Development Corporation (NHDC), a California nonprofit public benefit corporation and affordable housing developer, to explore and negotiate in good faith a potential disposition and development agreement to develop and build Rubidoux Gateway Villas, a 57-unit affordable housing project on the Property restricted for persons earning 80% or less of the area median income for the County of Riverside (Proposed Project). Pursuant to the ENA, Northtown agreed to process entitlements through the City of Jurupa Valley and seek other leveraging sources for the development of the Project. During the course of completing entitlements, NHDC successfully negotiated a mixed-

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

use project that would include both residential and commercial uses to satisfy concerns by City of Jurupa Valley officials. NHDC also acquired the adjacent parcel landlocked between the Santa Ana River and the Property owned by HACR. The term of the ENA expired as NHDC was negotiating issues relating to the design of the project. On January 29, 2019 (Minute Order 10.2), the HACR Board of Commissioners approved a new ENA, but NHDC was unsuccessful in its application for State funding through the No Place Like Home program. Although the ENA expired again, Northtown continued to work with the City of Jurupa Valley in good faith with the goal of completing entitlements and exploring alternative funding opportunities.

The Proposed Project set forth in this third new ENA is in line with the HACR's mission of providing affordable, decent, safe and sanitary housing for low-income families and satisfies the covenants of the bond proceeds utilized to acquire the Property. The ENA does not constitute a commitment to sell or develop the Property, but to complete entitlements and apply for funding; any agreement arising out of the ENA will be subject to the prior approval of the Board of Commissioners. The term of the proposed new ENA will expire on March 1, 2025, with an option for a one-year extension should the parties mutually agree. NHDC will be partnering with Valued Housing, an affiliate of Barker Management, Inc., a California corporation organized to facilitate the construction and preservation of affordable housing and apply for State funding through the California Department of Housing and Community Development (HCD). The County of Riverside Department of Housing and Workforce Solutions will also be requesting the Board of Supervisors consideration on July 11, 2023 (Resolution No. 2023-221) to commit \$3,000,000 in HUD Neighborhood Stabilization Program (NSP) funds to pay a portion of construction costs of Rubidoux Gateway Villas which would improve the funding application to HCD.

County Counsel has reviewed and approved the form of the ENA. Staff recommends approval of the form of the attached ENA.

Impact on Residents and Businesses

The potential development of 57 affordable units (including one manager's unit) will have a positive impact on the residents in the County of Riverside as it will create much needed affordable housing in the County as well as create construction, maintenance and property management jobs.

Additional Fiscal Information

No general funds will be used for the proposed ENA. Northtown will bear its own costs and expenses incurred in connection with negotiating and preparing in good faith a possible disposition and development agreement, or such other type of agreement as the parties may deem appropriate, for the Proposed Project.

Attachments:

- Form of Exclusive Negotiation Agreement with Northtown Housing Development Corporation
- Notice of Exemption

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


Brianna Lontajo, Principal Management Analyst 7/5/2023


Kristine Bell-Valdez, Supervising Deputy County Counsel 6/29/2023



FILED / POSTED

County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder

E-202300733
07/13/2023 01:42 PM Fee: \$ 50.00
Page 1 of 1

Removed: _____ By: _____ Deputy

Notice of Exemption

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
Agency: County of Riverside
Address: 4080 Lemon Street, Suite 400
Riverside, CA 92501
Contact: Mervyn Manalo
Phone: (951) 955-0774

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

Lead Agency (if different from above):
Address: _____
Contact: _____
Phone: _____

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: Exclusive Negotiation Agreement (ENA)

Project Location (include county): North side of Mission Boulevard and east of Crestmore Road in the City of Jurupa Valley, identified as Assessor Parcel Numbers 179-330-002, 179-330-003 and 179-330-005

Project Description:

The Housing Authority of the County of Riverside (Housing Authority) owns that certain real property located at the north side of Mission Boulevard and east of Crestmore Road in the City of Jurupa Valley, identified as Assessor Parcel Numbers 179-330-002, 179-330-003 and 179-330-005. Developer desires to acquire the property from the Housing Authority for affordable housing purposes and to develop thereon a proposed multifamily rental housing project comprised of approximately 57 units, to be occupied by, and rented to very low- and moderate-income households, as defined by California Health and Safety Code Sections 50079.5, 50093 and 50105, in accordance with the CRL and the Housing Authorities Law. The Proposed Project contemplates 56 affordable units and one residential manager's unit within 3 one-story and 9 two-story buildings, including 17 two-bedroom units, and 33 three-bedroom units and 6 four-bedroom units. The ENA allows the developer to explore funding opportunities, complete entitlements and negotiate in good faith a potential disposition and development agreement to develop and build the project.

Project Sponsor: County of Riverside Department of Housing and Workforce Solutions

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

Lead agency or Responsible Agency

July 11, 2023 and has made the following determinations regarding the above described project:
(tentative date)

The ENA does not constitute a project pursuant to the California Environmental Quality Act and State CEQA Guidelines (CEQA). Approval by the Housing Authority of the ENA does not vest any development rights and will not result in any physical change to the environment. The ENA requires the developer to obtain all necessary land use approvals and entitlements from the City of Jurupa Valley including compliance with CEQA. As the jurisdiction exercising land use control over the Property, the City of Jurupa Valley will be the lead agency for purposes of CEQA. The ENA does not commit the lead agency to any definite course of action or foreclose alternatives or mitigation measures that would ordinarily be part of CEQA review.

Signature: (Public Agency) Juan Garcia Title: Development Manager

Date: 7/21/23 Date received for filing at OPR: _____

JUL 11 2023 10.1

EXCLUSIVE NEGOTIATION AGREEMENT

THIS EXCLUSIVE NEGOTIATION AGREEMENT ("Agreement") is entered into as of _____, 2023 by and between the Housing Authority of the County of Riverside, a public entity, corporate and politic in its capacity as housing successor to the former Redevelopment Agency for the County of Riverside ("HACR") and Northtown Housing Development Corporation, a California nonprofit public benefit corporation ("NHDC" or "Developer"), collectively referred to as "Parties" and individually as a "Party," on the terms and provisions set forth below.

RECITALS

A. WHEREAS, the HACR is a Housing Authority duly created, established and authorized to transact business and exercise its powers, under and pursuant to the provisions of the Housing Authorities Law which is Part 2 of Division 24 of the California Health and Safety Code (commencing with Section 34200 et seq);

B. WHEREAS, the HACR owns fee title to that certain real property identified as Assessor Parcel Numbers 179-330-002, 179-330-003 and 179-330-005 consisting of approximately 4.43 acres as generally depicted on Site Map and described in the Legal Description attached hereto as Exhibit A and Exhibit B respectively and each incorporated herein by this reference. ("Property");

C. WHEREAS, Assembly Bill No. x1 26, as modified by Assembly Bill No. 1484 ("Dissolution Act"), added Parts 1.8 and 1.85 to Division 24 of the California Community Redevelopment Law (Health and Safety Code sections 33000 et seq., the "CRL"). Pursuant to the Dissolution Act, the Redevelopment Agency for the County of Riverside ("RDA") was dissolved on February 1, 2012 such that the RDA is now deemed a former redevelopment agency under Health and Safety Code section 34173;

D. WHEREAS, pursuant to Health and Safety Code Section 34176 (a), and HACR Resolution Nos. 2012-035, 2012-001 and 2012-005, all housing functions previously performed by the former RDA, including related rights, powers, duties, obligations, and housing assets (excluding amounts in the Low and Moderate Income Housing Fund and enforceable obligations retained by the successor agency) were transferred to the HACR, including the Property (defined below);

E. WHEREAS, NHDC proposes to build an affordable housing development on the Property;

F. WHEREAS, NHDC is engaged in the development, construction and operation of affordable housing, serving residents of the County of Riverside ("County");

G. WHEREAS, HACR wishes to explore entering into an agreement with NHDC for the potential acquisition of the Property in connection with the proposed development and construction thereon of an affordable housing project with approximately fifty-seven (57)

JUL 11 2023 10.1

EXCLUSIVE NEGOTIATION AGREEMENT

THIS EXCLUSIVE NEGOTIATION AGREEMENT ("Agreement") is entered into as of _____, 2023 by and between the Housing Authority of the County of Riverside, a public entity, corporate and politic in its capacity as housing successor to the former Redevelopment Agency for the County of Riverside ("HACR") and Northtown Housing Development Corporation, a California nonprofit public benefit corporation ("NHDC" or "Developer"), collectively referred to as "Parties" and individually as a "Party," on the terms and provisions set forth below.

RECITALS

A. WHEREAS, the HACR is a Housing Authority duly created, established and authorized to transact business and exercise its powers, under and pursuant to the provisions of the Housing Authorities Law which is Part 2 of Division 24 of the California Health and Safety Code (commencing with Section 34200 et seq);

B. WHEREAS, the HACR owns fee title to that certain real property identified as Assessor Parcel Numbers 179-330-002, 179-330-003 and 179-330-005 consisting of approximately 4.43 acres as generally depicted on Site Map and described in the Legal Description attached hereto as Exhibit A and Exhibit B respectively and each incorporated herein by this reference. ("Property");

C. WHEREAS, Assembly Bill No. x1 26, as modified by Assembly Bill No. 1484 ("Dissolution Act"), added Parts 1.8 and 1.85 to Division 24 of the California Community Redevelopment Law (Health and Safety Code sections 33000 et seq., the "CRL"). Pursuant to the Dissolution Act, the Redevelopment Agency for the County of Riverside ("RDA") was dissolved on February 1, 2012 such that the RDA is now deemed a former redevelopment agency under Health and Safety Code section 34173;

D. WHEREAS, pursuant to Health and Safety Code Section 34176 (a), and HACR Resolution Nos. 2012-035, 2012-001 and 2012-005, all housing functions previously performed by the former RDA, including related rights, powers, duties, obligations, and housing assets (excluding amounts in the Low and Moderate Income Housing Fund and enforceable obligations retained by the successor agency) were transferred to the HACR, including the Property (defined below);

E. WHEREAS, NHDC proposes to build an affordable housing development on the Property;

F. WHEREAS, NHDC is engaged in the development, construction and operation of affordable housing, serving residents of the County of Riverside ("County");

G. WHEREAS, HACR wishes to explore entering into an agreement with NHDC for the potential acquisition of the Property in connection with the proposed development and construction thereon of an affordable housing project with approximately fifty-seven (57)

affordable rental housing units to be rented to and occupied by low income households, excluding one manager's unit("Project");

H. WHEREAS, HACR desires to encourage and effectuate the development of the Property which will serve to preserve, protect, improve and increase the affordable housing stock and help eliminate blight within the County;

I. WHEREAS, facilitating the development of the Property for affordable multi-family rental housing would also assist the County and the State of California in achieving its goals of assisting families of low-income; and

J. WHEREAS, the purpose of this Agreement is to establish the procedures and standards for the negotiation by the Parties of a Disposition, Development and Loan Agreement or such other type of agreement as the Parties may deem appropriate for the disposition of the Property and development of the Project ("DDLA"). This Agreement in itself does not grant NHDC or any successor or affiliated entity the right to acquire the Property and/or develop the Project.

NOW, THEREFORE, HACR and NHDC hereby mutually agree as follows:

I. Recitals

The aforementioned recitals are incorporated herein by this reference and made a part of this Agreement.

II. Negotiation

A. Good Faith Negotiations

The Parties agree for the Negotiation Period (defined below) to negotiate diligently and in good faith, pursuant to this Agreement, to prepare a DDLA to be entered into between the Parties with respect to HACR's disposition of and the development of the Property; provided, however, by entering into this Agreement, the Parties are not required to enter into a DDLA. HACR agrees for the Negotiation Period, and the Extension Period (defined below), not to negotiate with any other person or entity to enter into any agreement regarding the acquisition, lease, disposition or development of the Property. "Good faith negotiations" as used herein shall mean that the Parties shall use their best efforts to communicate frequently and follow reasonable negotiation procedures to develop a DDLA mutually acceptable to the Parties.

NHDC will bear its own costs and expenses, including, but not limited to, attorneys' fees, incurred or to be incurred in connection with negotiating and preparing this Agreement and the DDLA and in carrying out its obligations under this Agreement ("Direct Costs").

Nothing in this Agreement shall be deemed a covenant, promise, or commitment by the HACR with respect to the disposition of the Property.

B. Period of Negotiations

The negotiating period shall commence on the Effective Date (defined below) and end March 1, 2025 (“Negotiating Period”), subject to extension. The Negotiating Period may be extended for an additional one-year period (“Extension Period”) by the written mutual agreement of the Parties. The Executive Director of the HACR, or designee, has the authority, at his or her discretion, to consent to an extension of the Negotiation Period on behalf of the HACR. In determining whether or not to consent to an extension of the Negotiating Period, the Executive Director may consider the following factors: (i) whether sufficient progress in accomplishing the tasks set forth in the Schedule of Performance, attached hereto as Exhibit C and incorporated herein by this reference, has occurred, and (ii) whether the Parties are continuing to work toward a mutually acceptable DDLA. Each Party agrees to endeavor in good faith to expeditiously complete the tasks set forth in the Schedule of Performance which are in such Party’s reasonable control.

If a DDLA has not been executed by the Parties by the expiration of the Negotiating Period, including any Extension Period, then this Agreement shall terminate, and upon such termination, neither Party shall have any further rights or obligations under this Agreement except as set forth in Section IX of this Agreement, and the HACR shall be free to negotiate with any other persons or entities with regard to the Property after such termination. If a DDLA is executed by the Parties, then, upon such execution, this Agreement shall terminate and all rights and obligations of the Parties shall be as set forth in the fully executed DDLA.

The term “Effective Date” used herein shall mean that certain date this Agreement is executed by the Chairman of HACR’s Board of Commissioners.

Time is of the essence with respect to the performance of each of the covenants and agreements contained in this Agreement. While it is understood that all Parties will work in good faith, care will also be taken to ensure consistent and regular progress toward timely completion of the obligations set forth herein.

C. NHDC’s Obligations During the Negotiation Period

NHDC shall, within the Negotiating Period (including any mutually agreed upon Extension Period) satisfy the following obligations (unless otherwise waived in writing by the HACR’s Executive Director or designee):

1. Investigate the projected costs of developing the Project, including the construction of all related on-site and off-site improvements for the Project;
2. Identify and develop a plan to obtain the necessary land use entitlements required for the Project and secure those land use entitlements required herein no later than the dates set forth in the Schedule of Performance attached hereto as Exhibit “C”;
3. Identify sources of funding and submit funding applications after consultation with HACR staff within the time frames set forth in the attached Schedule of Performance (Exhibit “C”);

4. Conduct necessary geotechnical, cultural, traffic and environmental studies and investigations for the development of the residential, service facility and/or commercial uses at the Property;
5. Determine and process any California Environmental Quality Act ("CEQA") documentation, at NHDC's expense, including the fees and expenses of any NHDC hired consultants in connection with the preparation of said CEQA documentation required in connection with the proposed sale of the Property to NHDC and HACR's approval of a DDLA;
6. During the Negotiation Period, initiate and submit to the appropriate Governmental Authorities (as defined in Section III. A. 4.) all applications for necessary entitlements (e.g., General Plan amendments, zone changes, parcel maps etc.) required for the development and construction of the Project as contemplated herein. The requirements set forth in this Section II. C. 6. include performing any necessary studies and or plans required for the entitlement process; and
7. Prepare and submit to HACR for its review the following pursuant to the Schedule of Performance attached hereto as Exhibit "C":
 - a. A preliminary and final site plan and architectural/design concept for the proposed development of the Project, showing building layout and dimensions, parking, amenities, landscaping and access.
 - b. A schedule of the development of all structures and improvements proposed for the Project and an estimate of development costs including hard and soft costs.
 - c. A detailed financial plan for the Project containing matters typically contained in such analysis, including, without limitation, a detailed pro forma, development cost budget and sources of equity and debt capital securing construction and long term financing. The aforementioned estimates and project date shall be in sufficient detail to permit adequate financial analysis by the HACR.
 - d. Copies of all completed reports, studies, analyses, and similar documents prepared or commissioned by NHDC with respect to this Agreement and the Project, promptly upon their completion.

D. HACR's Obligations

HACR shall, within the Negotiation Period (and mutually agreed upon Extension Period) satisfy the following obligations:

1. Negotiate exclusively through its staff with NHDC for the preparation of the DDLA for the Property and Project;
2. Review site plans and, without cost to HACR, use best efforts to assist NHDC with securing Project Entitlements (as defined Section III. A. 4.), which may be required by

the County of Riverside or any other Governmental Authorities (as defined in Section III.A. 4. below);

3. Review NHDC 's proposal;
4. Prepare a summary report, at NHDC's expense, in accordance with Section 33433 of the Health and Safety Code ("33433 Report"); and
5. Arrange for and obtain, at HACR's expense, publication of notices of the public hearing for the 33433 Report pursuant to Health and Safety Code Section 33433.

III. Proposed Development

A. Development Concept and Essential Terms and Conditions

The proposed development to be negotiated hereunder shall include the development and construction of the Project on the Property of an approximate fifty-seven (57) unit affordable housing development (including one manager's unit).

The essential terms and conditions of any such DDLA entered into with NHDC shall be in conformance with the following requirements:

1. NHDC shall enter into a DDLA with HACR in accordance with the Schedule of Performance;
2. NHDC shall design and construct the Project on the Property, at its own cost and expense, in accordance with a Schedule of Performance to be negotiated as part of the DDLA and in accordance with the scope of development and plans and specifications prepared by NHDC and approved by HACR, and any CEQA and/or National Environmental Policy Act ("NEPA") requirements;
3. NHDC shall design and construct, if applicable, all on-site infrastructure improvements in connection with the Project on the Property and develop a plan for financing the cost of infrastructure improvements;
4. NHDC shall secure at its own cost and expense, as required, in accordance with the Schedule of Performance to be negotiated as part of the DDLA, an amendment to the General Plan for the City of Jurupa Valley ("City"), as the case may be, a change of zone for the Property, the request of a density bonus and any and all entitlements (other than grading or building permits or approvals which are simply ministerial and nondiscretionary in nature) ("Entitlements"), which may be required by the City, County or any other governmental agency with jurisdiction over the construction and development of the Project (the "Governmental Authorities") to allow development of the Project;
5. NHDC shall be responsible for marketing and leasing units for the Project;

6. Other terms and conditions applicable to the DDLA are as follows:
 - a. It is understood by NHDC that design and architectural approval by HACR will be required for the Project and that sketches, plans, working drawings, specifications and similar documents will be required to be submitted for written approval pursuant to the terms and provisions in the DDLA.
 - b. It is understood that in developing the Property, NHDC will coordinate with the HACR in ensuring the design and architectural theme of the Project to be compatible with other developments in the area.
7. Forty-nine percent (49%) of the housing units developed and operated as part of the Project shall be rented to and occupied by low income households earning 80 percent or less of the area median income for the County of Riverside, as determined by the California Department of Housing and Community Development, adjusted for household size appropriate for the unit. The final affordability, maximum income and lease rate requirements will be established in the DDLA and shall conform to Housing Authorities Law and the CRL.

B. Reserved.

C. Assignment of Contracts

Developer's assignable interest and rights to the following: 1) all construction contracts and subcontracts now or hereafter entered into for the Project, 2) all supply contracts and subcontracts now or hereafter entered into for the Project, 3) all contracts with architects, landscape architects, environmental consultants, geologists, surveyors, engineers, or other development consultants now or hereafter entered into for the Project, 4) all plans, specifications, drawings, data, and studies produced by these architects and development consultants for development of the Project, now or hereafter shall be assigned to HACR by an assignment agreement in a form mutually acceptable to HACR and Developer. Developer shall use its best efforts to cause that the third parties to the contracts referenced above for Project work consent to the assignment of these contracts to HACR.

D. NHDC's Findings, Determinations, Studies, and Reports

From time-to-time, as reasonably requested by HACR, NHDC shall provide written Project status and monthly written progress reports, unless otherwise requested by HACR, advising HACR on all matters related to the Project development, including, but not limited to, financial feasibility analyses, construction cost estimates, marketing studies, and similar due diligence matters. Should negotiations not result in a DDLA between HACR and NHDC, HACR may use the information provided by NHDC (excluding any confidential or proprietary information prepared or commissioned by NHDC, or keep subject to the proprietary rights of the authors or preparers, any confidentiality agreements and any privileges recognized by applicable law, subject to the requirements set forth in the California Public Records Act) in any way deemed by HACR to be of benefit to HACR. All costs incurred by NHDC in the preparation and presentation of such

findings, determinations, studies, reports or other requests by the HACR under this Agreement shall be at the sole expense of NHDC.

IV. Purchase Price and/or Other Consideration

The purchase price for the Property to be paid to the HACR by NHDC will be established in the DDLA.

V. Environmental Requirements

Certain State and local environmental requirements under CEQA may be applicable to the proposed Project. HACR's Board of Commissioners will consider the DDLA upon submission of HACR's successful negotiations with NHDC on the terms and conditions agreed to by NHDC. Prior to the disposition of the Property, NHDC agrees to determine and process any CEQA documentation, at NHDC's sole expense.

NHDC shall indemnify and hold harmless the HACR and the County of Riverside, their respective Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, Board of Commissioners, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as "Indemnitees") from any liability whatsoever, based or asserted upon any CEQA challenge related to the Project, except to the extent such liability is caused by the gross negligence or willful misconduct of any Indemnitees. NHDC shall pay, at its sole expense, all costs and fees including, but not limited, to attorneys' fees, cost of investigation, defense and settlements or awards, of the Indemnitees in any claim or action based upon such alleged acts or omissions.

VI. Assignment

NHDC shall not assign all or any part of this Agreement without the prior written approval of HACR, except to a limited partnership, limited liability company or other entity formed for financing the Project, in which NHDC is a co-general partner (if a limited partnership) or a managing member (if a limited liability company) is a managing general partner (if a limited partnership) or a co-managing member (if a limited liability company); provided, however, any of the aforementioned transfers shall be subject to the approval of documentation by the HACR Executive Director or designee, which approval shall not be unreasonably withheld or delayed. HACR, in its reasonable discretion, may approve an assignment to any other entity if, in the reasonable determination of HACR, the proposed assignee is comparable in all material respects (including experience, character and financial capability) to NHDC. Any such change (or assignment of this Agreement in connection therewith) shall be by instruments approved in writing as to form and content by the HACR's Executive Director, or designee, and County Counsel, and if HACR approval is required pursuant to this Section VI, subject to the approval by HACR's Board of Commissioners. NHDC shall promptly notify HACR in writing of any and all changes whatsoever in the identity of the Parties in control of NHDC or the degree thereof, of which it or any of its officers have been notified or otherwise have knowledge or information.

VII. Condition of Site

NHDC will assume the full and complete responsibility to make all investigations of surface and subsurface conditions as may be necessary or appropriate and to evaluate the suitability of the Property for the proposed Project. Neither HACR nor the County shall make any representations or warranties concerning the Property, its suitability for the use intended by NHDC, or the surface or subsurface conditions of the Property.

Upon successful negotiation and approval of the DDLA, the Property shall be conveyed to NHDC "AS IS", meaning that NHDC will own the Property in its present condition, including, but not limited to, the physical condition of the Property and all laws, rules and regulations, whether federal, state or local, having or potentially having any impact on use, subdivision, improvement or other aspects of the Property. If a DDLA is executed and approved by HACR, NHDC shall be responsible, at its own sole cost and expense, for improvements on the Property in connection with the construction of the Project, and will do all things necessary to prepare the Property for the construction and development of the Project in accordance with the Entitlements thereon.

VIII. Right of Entry

HACR hereby grants to NHDC, and its Board of Directors, employees, agents and contractors (herein referred to collectively as "NHDC Designees") the nonexclusive right to enter upon the Property at any time during the Negotiation Period to perform a survey and certain work, consisting of geotechnical investigation, soil testing, a Phase I Environmental Assessment prepared in compliance with the most recent published American Society for Testing and Materials Phase I Environmental Property Assessment Standard, a Phase II Environmental Investigation and Report, if required, and other due diligence related activities (collectively, "Work"), and for no other purposes without the prior written approval of HACR's Executive Director, or designee.

Prior to each entry onto the Property, NHDC shall provide twenty four (24) hours advance written notice to HACR to conduct any work. Email communications shall constitute valid written notice provided such notice is (i) submitted twenty four (24) hours in advance, (ii) sent to Mervyn Manalo at mmanalo@rivco.org, and (iii) delivery of such email notice is confirmed with a documented reply and confirmation from Mervyn Manalo at mmanalo@rivco.org.

Prior to any entry onto the Property for the taking of environmental samples or testing, NHDC shall provide HACR with a work plan for on-site activity, including but not limited to a copy of its sampling and testing procedures. Such work plan shall be provided not less than three (3) working days in advance of any environmental testing or sampling activity contemplated under this Agreement.

NHDC shall provide to HACR a copy of all results generated by the sampling and testing performed pursuant to this Agreement. NHDC acknowledges and agrees for itself and on the behalf of NHDC Designees as follows:

- A. NHDC will not permit any dangerous condition to be created on the Property as a result of the activities of NHDC or NHDC Designees;
- B. That all acts and things done by NHDC on the Property will be done in a careful and reasonable manner, in accordance with all federal, state and local laws;

- C. NHDC will enter the Property entirely at its own cost, risk and expense;
- D. During the term of this Agreement, NHDC shall require each and all of NHDC's contractors/consultants responsible for the Work under this Agreement with whom NHDC enters into a written contract for such Work to maintain, in full force and effect, statutory workers' compensation insurance coverage and a commercial general liability policy in the amount of at least One Million Dollars (\$1,000,000) combined single limit policy. Not less than three (3) working days prior to entry on the Property, NHDC shall cause NHDC's contractors/consultants with whom NHDC enters into a written contract for such Work to provide certificates evidencing such coverage and naming HACR as additionally insured, as their interests may appear;
- E. NHDC shall not suffer or permit to be enforced against the Property, or any part thereof, any mechanics', material men's, contractors' or subcontractors' liens or any claim for damage arising from any Work performed by NHDC or NHDC's designee's use of and activities upon the Property pursuant to this Agreement. NHDC shall pay, or cause to be paid, all said liens, claims or demands before any action is brought to enforce the same against the Property;
- F. NHDC shall not have any interest in the Property or be entitled to any reimbursement or repayment for any Work performed upon the Property pursuant to this Agreement;
- G. NHDC shall take all necessary precautions to prevent the import and/or release into the environment of any hazardous materials which are imported to, in, on or under the Property during the performance of the Work. If hazardous materials are imported onto the Property as a result of the performance of the Work, NHDC shall be solely responsible for removing such imported hazardous materials in conformance with all governmental requirements. NHDC shall report to HACR, as soon as possible after each incident, any incidents with respect to the environmental condition of the Property; and
- H. NHDC shall obtain and maintain all governmental permits and approvals required for the Work conducted under this Agreement and shall comply with all statutes, ordinances, rules, regulations, orders and requirements now in effect or that become effective during the term of this Agreement applicable to its sampling and other activities pursuant to the access granted by this Agreement.

IX. Indemnity

NHDC shall indemnify and hold harmless the HACR and the County of Riverside, their respective Agencies, Districts, Special Districts and Departments, their respective directors, officer's, Board of Supervisors, Board of Commissioners, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as "Indemnitees") from any liability whatsoever, based or asserted upon any services of NHDC, its officers, employees, subcontractors, consultants, agents or representatives arising out of or in any

way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of NHDC, its officers, agents, employees, subcontractors, agents or representatives under this Agreement, except to the extent such liability is caused by the gross negligence or willful misconduct of any Indemnitees, except in the event of the gross negligence or willful misconduct of the Indemnified parties; provided however, any gross negligence or willful misconduct of Indemnitees will only affect the duty to indemnify for the specific act found to be gross negligence or willful misconduct, and will not preclude a duty to indemnify for any act or omission of NHDC. NHDC shall pay, at its sole expense, all costs and fees including, but not limited, to attorneys' fees, cost of investigation, defense and settlements or awards, of the Indemnitees in any claim or action based upon such alleged acts or omissions.

With respect to any action or claim subject to indemnification herein by NHDC, NHDC shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of the Indemnitees; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes NHDC's indemnification to the Indemnitees as set forth herein.

NHDC's obligation hereunder shall be satisfied when NHDC has provided to HACR the appropriate form of dismissal relieving HACR and/or the Indemnitees from any liability for the action or claim involved.

The specified insurance limits required in this Agreement shall in no way limit or circumscribe NHDC's obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve NHDC from indemnifying the Indemnitees to the fullest extent allowed by law. NHDC's indemnity obligations contained in this Section IX shall survive the expiration and termination of this Agreement.

X. Default and Remedies

(a) Failure by either Party to negotiate in good faith as provided in this Agreement shall constitute an event of default under this Agreement. The non-defaulting Party shall give written notice of a default to the defaulting Party, specifying the nature of the default and the required action to cure the default. If a default remains uncured forty five (45) days after receipt by the defaulting Party of such notice, the non-defaulting Party may exercise the remedies set forth in subsection (b) below.

(b) Remedies.

(1) HACR Default. In the event of an uncured default by HACR under this Agreement, NHDC shall be entitled to terminate this Agreement upon written notice of termination delivered to the other Parties. Following such termination, no Party shall have any further right, remedy or obligation under this Agreement, except as to those provisions which by their terms

expressly survive. The Parties hereby waive the right to specific performance as a remedy under this Agreement.

(2) NHDC Default. In the event of an uncured default by NHDC under this Agreement, HACR shall be entitled to terminate this Agreement upon written notice of termination delivered to the other Parties. Following such termination, no Party shall have any right, remedy or obligation under this Agreement; provided, however, that the indemnification obligations pursuant to Section IX shall survive such termination.

(3) Waiver of Specific Performance. The Parties hereby waive the right to specific performance as a remedy under this Agreement.

(c) Waiver of Default.

Except as otherwise expressly provided in this Agreement, any failure or delay by a Party asserting any of its rights or remedies as to any default shall not operate as a waiver of said default or of any rights or remedies in connection therewith or of any subsequent default or any rights or remedies in connection therewith, or deprive such Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

XI. NHDC Employees and Liabilities

It is understood that persons engaged or employed by NHDC as employees, agents, or independent contractors shall be engaged or employed by NHDC and not by HACR. NHDC alone is responsible for their work, direction, compensation and personal conduct. Nothing included in any provision of this Agreement shall impose any liability or duty upon HACR to persons, firms, or corporations employed or engaged by NHDC in any capacity whatsoever, or make HACR liable to any such persons, firms, or corporations, or to any government, for the acts, omissions, liabilities, obligations, and taxes, of whatsoever nature, of NHDC or of its employees, agents, or independent contractors.

XII. NHDC's Obligation to Refrain from Discrimination; NHDC's Obligation Toward Equal Opportunity

NHDC covenants and agrees for itself, its successors, its assigns and every successor in interest to the Property or any part thereof, that there shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, religion, creed, national origin, ancestry, sex, sexual orientation, gender identity, age, disability, medical condition, or marital status, in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Property nor shall NHDC itself or any person claiming under or through it, establish or permit such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, subleases, or vendors of the Property.

NHDC will not discriminate against any employees or applicants for employment because of race, color, religion, creed, national origin, ancestry, sex, sexual orientation, gender identity, age, disability, medical condition, or marital status.

XIII. Nonliability of Officials, Officers, Members, and Employees

No member, official, officer, or employee of the HACR or the County shall be personally liable to NHDC, or any successor in interest, in the event of any default or breach by the HACR or for any amount which may become due to NHDC or to any successor, or on any obligations under the term of this Agreement.

XIV. Waivers; Amendments

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the Party to be charged, and all amendments and modifications hereto must be in writing and signed by the appropriate authorities of the HACR and NHDC.

XV. Actions By HACR

The Executive Director of HACR or designee(s) are authorized to take such ministerial actions as may be necessary or appropriate to implement the terms, provisions, and conditions of this Agreement as it may be amended from time to time by HACR.

XVI. Real Estate Commissions

HACR shall not be liable for any real estate commissions or brokerage fees which may arise herefrom. HACR and NHDC each represents that it has engaged no broker, agent or finder in connection with this transaction, and NHDC agrees to hold the HACR harmless from any claim by any broker, agent or finder which it has retained.

XVII. Acknowledgments and Reservations

If the negotiations hereunder culminate into a DDLA, such DDLA will become effective only after and if it has been considered and approved by HACR's Board of Commissioners and the County Board of Supervisors, as required by law.

a. Not Binding

The Parties acknowledge and agree that this Agreement is for the sole purpose of stating the intention of the Parties to negotiate a DDLA. The Parties have not reached agreement on the matters to be set forth in the DDLA and do not intend to be bound to the disposition and development of the Property until such time as a final written DDLA is executed by all Parties.

The HACR's acknowledgment of this Agreement is merely an agreement to enter into a period of negotiations according to the concepts presented herein, reserving final discretion and approval by the HACR's Board of Commissioners, or any other agencies of the County as to any actions required of them, if any.

b. No Further Obligations

The HACR and NHDC agree that neither the HACR nor NHDC shall be under any further obligation to each other regarding disposition of the Property or the development of the proposed Project on the Property if this Agreement expires, is terminated for any reason, or a DDLA is not executed by the HACR and NHDC.

c. No Agreement

NHDC acknowledges and agrees that no provision of this Agreement shall be deemed to be an offer by the HACR, nor an acceptance by the HACR of any offer or proposal from Parties, for the HACR to convey to NHDC any interest in all or a portion of the Property or in or to the Property, or for the HACR to provide any financial or other assistance to NHDC for development of the Property.

d. No Acquisition

Parties acknowledge and agree that it has not acquired, nor will acquire, by virtue of the terms of this Agreement, any legal or equitable interest in the Property or any other real or personal property of the HACR.

e. Limitations of this Agreement

Nothing contained in this Agreement shall constitute a waiver, amendment, promise or agreement by the HACR or County (or any of its departments or boards) as to the granting of any approval, permit, consent or other entitlement in the exercise of the HACR or County's regulatory capacity or function. The final form of any proposed DDLA to be negotiated may contain matters not contemplated by this Agreement, including, but not limited to, matters necessary to accommodate compliance with law, including without limitation CEQA.

XVIII. Insurance

Without limiting or diminishing the NHDC'S obligation to indemnify or hold the HACR harmless, NHDC shall procure and maintain or cause to be maintained by Borrower or its general contractor for the Project ("General Contractor"), at its sole cost and expense, the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the HACR herein refers to the Housing Authority of the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

A. Builder's All Risk (Course of Construction) Insurance:

NHDC shall cause General Contractor to provide a policy of Builder's All Risk (Course of Construction) insurance coverage including (if the work is located in an earthquake or flood zone or if required on financed or bond financing arrangements) coverage for earthquake and flood, covering the HACR, NHDC, General Contractor and every subcontractor, of every tier, for the entire Project, including property to be used in the construction of the work while such property is at off-site storage locations or while in transit or temporary off-site storage. Such policy shall include, but not be limited to,

coverage for fire, collapse, faulty workmanship, debris removal, expediting expense, fire department service charges, valuable papers and records, trees, grass, shrubbery and plants. If scaffolding, false work and temporary buildings are insured separately by the General Contractor or others, evidence of such separate coverage shall be provided to County prior to the start of the work. Such policy shall be written on an all risk basis and a completed value form. Such policy shall cover the full insurable value. Such policy shall also provide coverage for temporary structures (on-site offices, etc.), fixtures, machinery and equipment being installed as part of the work. NHDC shall require that General Contractor shall be responsible for any and all deductibles under such policy. Upon request by HACR, NHDC, on behalf of General Contractor, shall declare all terms, conditions, coverages and limits of such policy. Such policy shall name the HACR as a loss payee as their interest may appear. If the County so provides, in its sole discretion, the All Risk (Course of Construction) insurance for the Project, then NHDC shall cause the General Contractor to assume the cost of any and all applicable policy deductibles (currently, \$50,000 per occurrence) and shall insure its own machinery, equipment, tools, etc. from any loss of any nature whatsoever.

B. Workers' Compensation:

If the NHDC or General Contractor have employees as defined by the State of California, the NHDC or General Contractor, as applicable, shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of The County of Riverside. Policy shall name the HACR as Additional Insureds.

- C. Commercial General Liability: NHDC shall maintain Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of NHDC'S performance of its obligations hereunder. Policy shall name the HACR as Additional Insured. Policy's limit of liability shall not be less than \$2,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the HACR as Additional Insureds.

D. Vehicle Liability Insurance:

If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then NHDC shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the HACR as Additional Insureds.

If NHDC maintains broader coverage and/or higher limits than the minimums shown above, HACR requires and shall be entitled to the broader coverage and/or higher limits

maintained by NHDC. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to HACR .

E. General Insurance Provisions - All lines:

- 1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the HACR Risk Manager. If the HACR's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.
- 2) NHDC, or NHDC on behalf of General Contractor, must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceed \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the HACR, and at the election of the HACR's Risk Manager, NHDC'S or General Contractor's, as applicable, carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the HACR, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.
- 3) NHDC shall cause NHDC's and General Contractor's insurance carrier(s) to furnish the HACR with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the HACR Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that a minimum of thirty (30) days written notice shall be given to the HACR prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. If NHDC's or General Contractor's insurance carrier(s) policies do not meet the minimum notice requirement found herein, NHDC shall cause NHDC's or General Contractor's insurance carrier(s) to furnish a 30 day Notice of Cancellation Endorsement.
- 4) In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the HACR receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto evidencing coverage's set forth herein and the insurance required herein is in full force and effect. Neither NHDC nor General Contractor shall commence operations until the HACR has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.

- 5) It is understood and agreed to by the parties hereto that the NHDC's or General Contractor's insurance, as applicable, shall be construed as primary insurance, and the HACR's insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.
- 6) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County Risk Management's reasonable judgment, the amount or type of insurance carried by the NHDC has become inadequate.
- 7) NHDC shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.
- 8) The insurance requirements contained in this Agreement may be met with a program(s) of self- insurance acceptable to the HACR.
- 9) NHDC agrees to notify HACR on behalf of itself ad General Contractor of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

XIX. Authority to Execute

The persons executing this Agreement or exhibits attached hereto on behalf of the Parties to this Agreement hereby warrant and represent that they have the authority to execute this Agreement and warrant and represent that they have the authority to bind the respective Parties to this Agreement to the performance of its obligations hereunder.

XX. Notices

Formal notices, demands and communications between the Parties shall be sufficiently given if, and shall not be deemed given unless, dispatched by certified mail, postage prepaid, return receipt requested, or sent by express delivery or overnight courier service, to the office of the Parties shown as follows, or such other addresses as the Parties may designate in writing from time to time:

HACR:
Housing Authority of the
County of Riverside
Attention: Executive Director
5555 Arlington Avenue
Riverside, CA 92504

NHDC:
Northtown Housing Development Corporation
Attention: Chief Financial Officer
10071 Feron Blvd.
Rancho Cucamonga, CA 91730

Such written notices, demands and communications shall be effective on the date shown on the delivery receipt as the date delivered or the date on which delivery was refused.

XXI. Entire Agreement

This Agreement constitutes the entire agreement of the Parties regarding the subject matter of this Agreement and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the Property.

XXII. Conflict of Interest

No member, official, or employee of the HACR shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to the Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is, directly or indirectly, interested.

XXIII. No Third Party Beneficiaries.

The Parties to this Agreement acknowledge and agree that the provisions of this Agreement are for the sole benefit of the HACR and NHDC, and not for the benefit, directly or indirectly, of any other person or entity, except as otherwise expressly provided herein. The Parties acknowledge and agree that the County of Riverside is an intended third party beneficiary of this Agreement.

XXIV. Further Assurances.

Each of the Parties hereto shall execute and deliver any and all additional papers, documents and other assurances, and shall do any and all necessary acts and things in connection with the performance of their obligations hereunder and to carry out the intent and agreements of the parties.

XXV. Severability

In the event that any of the provisions, or portions thereof, of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remaining provisions, or portions thereof, shall not be affected thereby.

XXVI. Jurisdiction and Venue

Any action at law or in equity arising under this Agreement or brought by a party hereto for the purpose of enforcing, construing or determining the validity of any provision of this Agreement shall be filed in the consolidated Courts of Riverside County, in the City of Riverside, State of California, and the Parties hereto waive all provisions of law providing for the filing, removal or change of venue to any other court or jurisdiction.

XXVII. Interpretation and Governing Law

This Agreement and any dispute arising hereunder shall be governed by and interpreted in accordance with the internal laws of the State of California. This Agreement shall be construed as a whole according to its fair language and common meaning to achieve the objectives and purposes of the Parties hereto, and the rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in interpreting this Agreement, all Parties having been represented by counsel in the negotiation and preparation hereof.

XXVIII. Counterparts

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

[Remainder of Page Intentionally Blank]

[Signatures on Following Page]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates set forth below.

HACR:

HOUSING AUTHORITY OF THE
COUNTY OF RIVERSIDE, a public entity,
corporate and politic

By: _____
Heidi Marshall,
Executive Director

Date: _____

NHDC:

Northtown Housing Development Corporation,
a California nonprofit public benefit corporation

By: _____
Carol Norris,
Chief Financial Officer

Date: _____

APPROVED AS TO FORM:

MINH C. TRAN
COUNTY COUNSEL

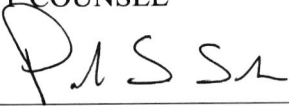
By:  _____
Paula S. Salcido,
Deputy County Counsel

Exhibit A

Legal Description

All that real property located in the County of Riverside, State of California legally described as follows:

APN: **179-330-002-7**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

A PORTION OF LOT 2 OF THE AMENDED MAP OF THE INDIAN HILL TRACT, IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 10 PAGE 3 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWESTERLY CORNER OF LOT 2 AT THE POINT OF INTERSECTION OF THE NORTHERLY LINE OF MISSION BOULEVARD WITH THE EASTERLY LINE OF CRESTMORE ROAD, SAID MISSION BOULEVARD BEING THE ROAD SHOWN ON SAID MAP BORDERING UPON AND ADJACENT TO THE SOUTHERLY LINE OF SAID MAP LYING BETWEEN LOT 3 OF SAID TRACT AND A PORTION OF SAID LOT 2:

THENCE ALONG SAID EASTERLY LINE OF CRESTMORE ROAD NORTH 37 DEGREES 42' EAST 604.00 FEET TO THE POINT OF BEGINNING TO THE PROPERTY HEREIN DESCRIBED;

THENCE CONTINUING ALONG SAID EASTERLY LINE OF CRESTMORE ROAD, NORTH 37 DEGREES 42' EAST 75.68 FEET:

THENCE SOUTH 59 DEGREES 46' EAST 745.71 FEET;

THENCE SOUTH 3 DEGREES 24" 00" WEST 101.80 THENCE NORTH 58 DEGREES 33' WEST 799.37 FEET TO THE POINT OF BEGINNING.

EXCEPT THAT PORTION TAKEN BY FINAL ORDER OF CONDEMNATION BY THE RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT A CERTIFIED COPY OF WHICH WAS RECORDED MARCH 28, 1958 IN BOOK 2245 PAGE 243 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA

APN: **179-330-003-8**

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

THAT PORTION OF LOT 2 OF AMENDED MAP OF INDIAN HILL TRACT, AS SHOWN ON MAP RECORDED IN BOOK 10, PAGE 3 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE NORTHEASTERLY LINE OF MISSION BOULEVARD WITH THE SOUTHEASTERLY LINE OF CRESTMORE ROAD; THENCE NORTH 37 DEGREES 42' EAST,

ALONG SAID SOUTHEASTERLY LINE OF CRESTMORE ROAD, A DISTANCE OF 300 FEET TO THE POINT OF BEGINNING OF THE PROPERTY HEREIN DESCRIBED;

THENCE CONTINUING ALONG SAID SOUTHEASTERLY LINE OF CRESTMORE ROAD, NORTH 37 DEGREES 42' EAST, A DISTANCE OF 304 FEET; THENCE SOUTH 58 DEGREES 33' EAST, A DISTANCE OF 265 FEET; THENCE SOUTH 37 DEGREES 42' WEST, A DISTANCE OF 304 FEET; THENCE NORTH 58 DEGREES 33' WEST, A DISTANCE OF 265 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THE NORTHEASTERLY 100 FEET THEREOF, SAID NORTHERLY 100 FEET BEING MEASURED AT RIGHT ANGLES TO THE NORTHERLY LINE OF THE ABOVE DESCRIBED LAND.

PARCEL 2:

THE NORTHEASTERLY 100 FEET OF THAT PORTION OF LOT 2, AS AMENDED MAP OF INDIAN HILL TRACT, AS SHOWN ON MAP RECORDED IN BOOK 10, PAGE 3, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTHEASTERLY LINE OF MISSION BOULEVARD WITH THE SOUTHEASTERLY LINE OF CRESTMORE ROAD; THENCE NORTHEASTERLY ALONG THE SAID SOUTHEASTERLY LINE, 300 FEET FOR THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTHEASTERLY ALONG SAID SOUTHEASTERLY LINE, A DISTANCE OF 304 FEET; THENCE SOUTH 58 DEGREES 33" EAST, 325 FEET; THENCE SOUTH 37 DEGREES 42' WEST, 304 FEET; THENCE NORTH 58 DEGREES 33' WEST, 325 FEET TO THE TRUE POINT OF BEGINNING;

EXCEPTING THEREFROM THE SOUTHEASTERLY RECTANGULAR 60 FEET THEREOF.

APN: 179-330-005-0

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

THAT PORTION OF LOT 2, AS SHOWN BY AMENDED MAP OF INDIAN HILL TRACT, AS SHOWN ON MAP RECORDED IN BOOK 10, PAGE 3 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF RIVERSIDE COUNTY, CALIFORNIA DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTHEASTERLY LINE OF MISSION BOULEVARD AND THE SOUTHEASTERLY LINE OF CRESTMORE ROAD; THENCE SOUTHEASTERLY, ALONG SAID NORTHEASTERLY LINE OF MISSION BOULEVARD, 325 FEET; THENCE NORTH 37 DEGREES 42' EAST, 300 FEET; THENCE NORTH 58 DEGREES 33' WEST, 325 FEET, MORE OR LESS, TO SAID SOUTHEASTERLY LINE OF CRESTMORE ROAD; THENCE SOUTHWESTERLY ON SAID SOUTHEASTERLY LINE OF CRESTMORE ROAD, 300 FEET, MORE OR LESS, TO THE POINT OF BEGINNING.

EXCEPT THEREFROM A RIGHT OF WAY AND INCIDENTS THERETO FOR STATE HIGHWAY, UPON, OVER AND ACROSS THE SOUTHWESTERLY PORTION OF SAID PROPERTY, CONVEYED TO STATE OF CALIFORNIA BY DEED RECORDED OCTOBER 26, 1931 IN BOOK 55, PAGE 74 OF OFFICIAL RECORDS;

ALSO EXCEPT THEREFROM THAT PORTION CONVEYED TO STATE OF CALIFORNIA BY DEED RECORDED NOVEMBER 30, 1942 IN BOOK 563, PAGE 83 OF OFFICIAL RECORDS;

ALSO EXCEPT THEREFROM THAT PORTION SET OUT AS PARCEL NO. 73 IN THAT CERTAIN JUDGMENT IN EMINENT DOMAIN ENTERED IN AN ACTION IN THE SUPERIOR COURT OF RIVERSIDE COUNTY, CASE NO. 68711, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWESTERLY CORNER OF SAID LOT 2; THENCE NORTH 38 DEGREES 24' 10" EAST, ALONG THE NORTHWESTERLY LINE OF SAID LOT 2, A DISTANCE OF 40.06 FEET TO A POINT THEREON, FOR THE TRUE POINT OF BEGINNING, SAID POINT BEING THE MOST NORTHERLY

CORNER OF THE CERTAIN PARCEL OF LAND CONVEYED TO THE STATE OF CALIFORNIA BY DEED RECORDED IN BOOK 563, PAGE 83 OF OFFICIAL RECORDS;

THENCE SOUTH 57 DEGREES 36' 50" EAST, ALONG THE NORTHEASTERLY LINE OF THE PARCEL SO CONVEYED TO THE STATE, A DISTANCE OF 324.86 FEET TO THE MOST EASTERLY CORNER THEREOF, SAID POINT BEING IN THE SOUTHEASTERLY LINE OF THAT CERTAIN PARCEL OF LAND CONVEYED TO DAVID J. DENIERS, ET AL, BY DEED RECORDED IN BOOK 1972, PAGE 324 OF OFFICIAL RECORDS OF SAID RIVERSIDE COUNTY;

THENCE NORTH 38 DEGREES 24' 10" EAST, ALONG SAID SOUTHEASTERLY LINE, A DISTANCE OF 60.35 FEET TO THE POINT THEREON, SAID POINT BEING ON A CURVE CONCAVE TO THE NORTHEAST, HAVING A RADIUS OF 1460.00 FEET, FROM WHICH THE CENTER OF SAID CURVE BEARS NORTH 25 DEGREES 59' 42" EAST; THENCE NORTHWESTERLY, ALONG SAID CURVE, TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 03 DEGREES 22' 58", AN ARC DISTANCE OF 86.20 FEET TO THE END THEREOF, FROM WHICH THE CENTER OF SAID CURVE BEARS NORTH 29 DEGREES 22' 40" EAST; THENCE NORTH 60 DEGREES 37' 20" WEST, A DISTANCE OF 181.38 FEET; THENCE NORTH 17 DEGREES 31' WEST, A DISTANCE OF 71.54 FEET TO AN INTERSECTION WITH SAID NORTHWESTERLY LINE OF SAID LOT 2, A DISTANT THEREON NORTH 38 DEGREES 24' 10" EAST, A DISTANCE OF 90.00 FEET FROM THE MOST NORTHERLY CORNER OF THE PARCEL CONVEYED TO THE STATE AS AFORESAID; THENCE SOUTH 38 DEGREES 24' 10" WEST, ALONG SAID NORTHWESTERLY LINE, A DISTANCE OF 90.00 FEET TO THE TRUE POINT OF BEGINNING.

[END OF LEGAL DESCRIPTION]

Exhibit B

SITE MAP
Assessor Parcel Numbers
179-330-002, 179-330-003 and 179-330-005



Exhibit C

SCHEDULE OF PERFORMANCE

- | | | |
|-----|---|---|
| 1. | Investigate the projected costs of developing the Project, including the construction of all related on-site and off-site improvements for the Project. | Upon approval of ENA and prior to completion of a DDLA |
| 2. | Identify and develop a plan to obtain the necessary land use entitlements required for the Project. | Within six (6) months of ENA approval |
| 3. | Agree to participate and/or conduct community meetings as requested by the HACR in relation to the Project. | Ongoing, as needed |
| 4. | Identify sources of funding for Project and commence financing process for the Project after consultation with HACR staff. Evaluate and provide a comprehensive written description of the estimated competitive score and feasibility of all funding applications to be submitted in connection with financing the Project on a monthly basis commencing upon the effective date. | Monthly report commencing upon ENA approval |
| 5. | Conduct necessary studies and investigations for the development of the residential, service facility and/or commercial uses at the Property such as geotechnical, cultural, traffic, and environmental. | Concurrently with Item 6 below |
| 6. | Parties shall initiate and submit application for the necessary entitlements (e.g., General Plan Amendment / Change of Zone / Parcel Map) required for the Project within the negotiation period. The requirements set forth in Section II, subsection C.7. include performing any necessary studies and or plans required for the entitlement process. | Within eighteen (18) months of ENA approval. |
| 7. | A preliminary and final site plan and architectural/design concept for the proposed development of the Project, showing building layout and dimensions, parking, landscaping and access. | Preliminary site plan within six (6) months of ENA approval; Final site plan within 12 months of ENA approval |
| 8. | Prepare and submit to HACR for its review a schedule of the development of all structures and improvements proposed for the Project and an estimate of development costs including hard and soft costs. | Within nine (9) months of ENA approval |
| 9. | Prepare and submit to HACR for its review a detailed financial plan for the Project containing matters typically contained in such analysis, including, without limitation, a detailed pro forma, development cost budget and sources of equity and debt capital securing construction and long term financing. The estimates and project date shall be in sufficient detail to permit adequate financial analysis by the HACR. | Within nine (9) months of ENA approval |
| 10. | Prepare and submit to HACR for its review copies of all completed reports, studies, analyses, and similar documents, but excluding confidential or proprietary information, prepared or commissioned by Parties with respect to this Agreement and the Project, promptly upon their completion. | Ongoing, as completed |



State of California - Department of Fish and Wildlife
2023 ENVIRONMENTAL DOCUMENT FILING FEE
CASH RECEIPT
 DFW 753.5a (REV. 01/01/23) Previously DFG 753.5a

RECEIVED RIVERSIDE COUNTY
 CLERK/BOARD OF SUPERVISORS

2023 AUG 18 AM 10:47

RECEIPT NUMBER: 23-193157
STATE CLEARINGHOUSE NUMBER (If applicable)

SEE INSTRUCTIONS ON REVERSE. TYPE OR PRINT CLEARLY.

LEAD AGENCY COUNTY OF RIVERSIDE BOARD OF SUPERVISORS	LEAD AGENCY EMAIL RCHOMELINK.COM	DATE 07/13/2023
COUNTY/STATE AGENCY OF FILING RIVERSIDE	DOCUMENT NUMBER E-202300733	

PROJECT TITLE
EXCLUSIVE NEGOTIATION AGREEMENT (ENA)

PROJECT APPLICANT NAME COUNTY OF RIVERSIDE OF HOUSING AND	PROJECT APPLICANT EMAIL JUGARCIA@RIVCO.ORG	PHONE NUMBER (951) 955-8126
PROJECT APPLICANT ADDRESS 5555 ARLINGTON AVE,	CITY RIVERSIDE	STATE CA
		ZIP CODE 92504

PROJECT APPLICANT (Check appropriate box)

Local Public Agency School District Other Special District State Agency Private Entity

CHECK APPLICABLE FEES:

<input type="checkbox"/> Environmental Impact Report (EIR)	\$3,839.25	\$ _____
<input type="checkbox"/> Mitigated/Negative Declaration (MND)(ND)	\$2,764.00	\$ _____
<input type="checkbox"/> Certified Regulatory Program (CRP) document - payment due directly to CDFW	\$1,305.25	\$ _____
<input checked="" type="checkbox"/> Exempt from fee		
<input checked="" type="checkbox"/> Notice of Exemption (attach)		
<input type="checkbox"/> CDFW No Effect Determination (attach)		
<input type="checkbox"/> Fee previously paid (attach previously issued cash receipt copy)		

<input type="checkbox"/> Water Right Application or Petition Fee (State Water Resources Control Board only)	\$850.00	\$ _____
<input checked="" type="checkbox"/> County documentary handling fee		\$ _____ \$50.00
<input type="checkbox"/> Other		\$ _____

PAYMENT METHOD:

Cash Credit Check Other

TOTAL RECEIVED \$ _____ \$50.00

SIGNATURE X <i>J Rodriguez</i>	AGENCY OF FILING PRINTED NAME AND TITLE Deputy Irma Rodriguez
-----------------------------------	---

2023 - 8-15-23



FILED / POSTED

County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder

E-202300733
07/13/2023 01:42 PM Fee: \$ 50.00
Page 1 of 1

Removed: 8/14/2023 By: J. Rodriguez Deputy



Notice of Exemption

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

From:
 Public
 Agency: County of Riverside
 Address: 4080 Lemon Street, Suite 400
Riverside, CA 92501
 Contact: Mervyn Manalo
 Phone: (951) 955-0774

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

Lead Agency (if different from above):
 Address: _____
 Contact: _____
 Phone: _____

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: Exclusive Negotiation Agreement (ENA)

Project Location (include county): North side of Mission Boulevard and east of Crestmore Road in the City of Jurupa Valley, identified as Assessor Parcel Numbers 179-330-002, 179-330-003 and 179-330-005

Project Description:

The Housing Authority of the County of Riverside (Housing Authority) owns that certain real property located at the north side of Mission Boulevard and east of Crestmore Road in the City of Jurupa Valley, identified as Assessor Parcel Numbers 179-330-002, 179-330-003 and 179-330-005. Developer desires to acquire the property from the Housing Authority for affordable housing purposes and to develop thereon a proposed multifamily rental housing project comprised of approximately 57 units, to be occupied by, and rented to very low- and moderate-income households, as defined by California Health and Safety Code Sections 50079.5, 50093 and 50105, in accordance with the CRL and the Housing Authorities Law. The Proposed Project contemplates 56 affordable units and one residential manager's unit within 3 one-story and 9 two-story buildings, including 17 two-bedroom units, and 33 three-bedroom units and 6 four-bedroom units. The ENA allows the developer to explore funding opportunities, complete entitlements and negotiate in good faith a potential disposition and development agreement to develop and build the project.

Project Sponsor: County of Riverside Department of Housing and Workforce Solutions

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

Lead agency or Responsible Agency

July 11, 2023 and has made the following determinations regarding the above described project:
(tentative date)

The ENA does not constitute a project pursuant to the California Environmental Quality Act and State CEQA Guidelines (CEQA). Approval by the Housing Authority of the ENA does not vest any development rights and will not result in any physical change to the environment. The ENA requires the developer to obtain all necessary land use approvals and entitlements from the City of Jurupa Valley including compliance with CEQA. As the jurisdiction exercising land use control over the Property, the City of Jurupa Valley will be the lead agency for purposes of CEQA. The ENA does not commit the lead agency to any definite course of action or foreclose alternatives or mitigation measures that would ordinarily be part of CEQA review.

Signature: (Public Agency) Juan Garcia Title: Development Manager

Date: 6/21/23 Date received for filing at OPR: _____

JUL 11 2023 10.1



HWS HOUSING AND
WORKFORCE
SOLUTIONS
ENGAGE. ENCOURAGE. EQUIP.

Board Date: July 11, 2023

To: Clerk of the Board of Supervisors
4080 Lemon St, 1st Floor, Suite 127
Riverside CA 92501

From: Juan Garcia, Development Manager
Housing Authority of the County of Riverside
5555 Arlington Avenue
Riverside, CA 92504

Subject: Notice of Exemption (NOE) – Exclusive Negotiation Agreement between the Housing Authority of the County of Riverside and Northtown Housing Development Corporation in Connection with a Proposed Affordable Rental Housing Project, located in the City of Jurupa Valley

The Housing Authority of the County of Riverside is requesting the Clerk of the Board of Commissioners post the attached Notice of Exemption. Authorization to bill by journal voucher is included for your posting fee.

After posting, please return the document to:

Mail Stop #1261
Attention: Juan Garcia, Development Manager
Department of Housing and Workforce Solutions
County of Riverside
3403 Tenth Street, Suite # 300
Riverside, CA 92501

If you have any questions, please contact Juan Garcia at 951-955-8126.

Attachment

Cc: file