

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



**ITEM: 3.38  
(ID # 25536)**

**MEETING DATE:**  
Tuesday, July 30, 2024


**FROM :** HOUSING AND WORKFORCE SOLUTIONS

**SUBJECT:** HOUSING AND WORKFORCE SOLUTIONS (HWS): Adoption of Resolution No. 2024-181, Approving HOME Investment Partnerships American Rescue Plan Act (HOME-ARP) Funding Allocation of \$2,000,000, Support for Application for Low-Income Housing Tax Credits to the California Tax Credit Allocation Committee, and Support for Application for Award of Private Activity Bonds to the California Debt Limit Allocation Committee for the Mulberry Gardens Family Apartments Housing Project in the City of Riverside; District 1. [\$2,000,000 - 100% HOME-ARP funds]

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

1. Adopt Resolution No. 2024-181, Approving HOME Investment Partnerships American Rescue Plan Act (HOME-ARP) Funding Allocation in an Amount of \$2,000,000, Support for Application for Low-Income Housing Tax Credits to the California Tax Credit Allocation Committee, and Support for Application for Award of Private Activity Bonds to the California Debt Limit Allocation Committee for the Mulberry Gardens Family Apartments Housing Project, Located in the City of Riverside; and
2. Approve up to \$2,000,000 in the form of a loan derived from HOME-ARP funds to Mulberry Gardens Family, L.P. for the Mulberry Gardens Family Housing Apartment project in the City of Riverside, subject to the conditions set forth in Resolution No. 2024-181.

**ACTION:Policy**

  
Heidi Marshall, Director 7/10/2024

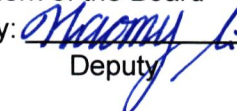
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**MINUTES OF THE BOARD OF SUPERVISORS**

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

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: July 30, 2024  
xc: HWS

Kimberly A. Rector  
Clerk of the Board

By:   
Deputy

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<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$2,000,000	\$ 0	\$2,000,000	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> HOME Investment Partnerships American Rescue Plan (HOME-ARP) Funds 100%			<b>Budget Adjustment:</b> No	
			<b>For Fiscal Year:</b> 24/25	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

On October 19, 2021, Minute Order 3.21, the County of Riverside Board of Supervisors accepted an allocation of \$8,823,099 in HOME Investment Partnerships American Rescue Plan Act (HOME-ARP) funds from the U.S. Department of Housing and Urban Development Office of Community Planning and Development (HUD). HOME-ARP funds were appropriated as a part of President Biden’s American Rescue Plan Act of 2021, with the purpose of providing housing, services, and shelter to individuals experiencing homelessness and other vulnerable populations.

Eden Housing, Inc., a California nonprofit public benefit corporation (Developer), has applied to the County of Riverside (County) for HOME-ARP funding in the amount of \$2,000,000 to pay a portion of the costs to develop and construct the Mulberry Gardens Family Apartments, an affordable multifamily low-income housing project (Proposed Project). The Proposed Project will be owned and operated by Mulberry Gardens Family L.P., a California limited partnership (Borrower), created by and between Eden Housing, Inc., a California nonprofit public benefit corporation as Managing General Partner, and Mulberry Gardens Family LLC, a California limited liability company as Administrative General Partner, for the specific purpose of selling tax credits and developing, constructing, and owning the Proposed Project. The Proposed Project will be developed on 2.81 acres located at 2560 Mulberry Street, in the City of Riverside, County of Riverside, State of California, identified as Assessor’s Parcel Number APN 209-130-003 (Property). The Proposed Project will consist of 149 affordable units comprised of 73 one-bedroom units, 38 two-bedroom units, 38 three-bedroom units, with one unrestricted two-bedroom manager’s unit. Under the County’s HOME-ARP program, 37 units will be restricted to households whose incomes do not exceed 30% of the area median income for the County of Riverside.

In order to complete the California Tax Credit Allocation Committee (TCAC) application for an allocation of tax credits in August 2024, Developer must provide a resolution from the local jurisdiction providing support for the Proposed Project. The Proposed Project has a competitive tiebreaker score for low-income housing tax credits bolstered by the financial support from the County's HOME-ARP commitment.

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Developer must also provide a resolution from local jurisdiction in support of application with California Debt Limit Allocation Committee (CDLAC) for issuance of private activity bonds, the proceeds of which will be used to finance Project costs.

The attached proposed Resolution No. 2024-181 provides Board support for the Proposed Project and recommends an allocation of up to \$2,000,000 in HOME-ARP funds to be used as a loan to Developer to pay a portion of the development and construction costs for the Proposed Project. Staff recommends that the allocation of the HOME-ARP funds be valid until December 31, 2025.

The attached proposed Resolution 2024-181 allocates up to \$2,000,000 in HOME-ARP funds to the Proposed Project, subject to Developer's satisfaction of the conditions specifically set forth in Resolution 2024-181, which include, but are not limited to, the following:

1. Securing any and all land use entitlements, permits, and approvals which may be required for development and construction of the Proposed Project, including, but not limited to, compliance with the California Environmental Quality Act (CEQA);
2. Obtaining sufficient equity capital or firm and binding commitments for construction and permanent financing necessary to undertake the development and completion of the Proposed Project; and
3. Successful negotiation of a Loan Agreement requiring compliance with the HOME-ARP Program approved by the Board of Supervisors and approved as to form by County Counsel.

Staff recommends that the Board adopt Resolution No. 2024-181. County Counsel has reviewed and approved the attached Resolution No. 2024-181 as to form.

**Impact on Residents and Businesses**

Approving this item will have a positive impact on the citizens and businesses in the County of Riverside. The Proposed Project is expected to generate construction, permanent maintenance, and property management jobs, and provide affordable housing for residents of the County of Riverside.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

No impact upon the County's General Fund; the County's contribution will be fully funded with HOME-ARP funds.

**Attachment:**

- Resolution No. 2024-181

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Brianna Lontajo, Principal Management Analyst 7/19/2024



Aaron Gettis, Chief of Deputy County Counsel 7/16/2024

**BOARD OF SUPERVISORS**

**COUNTY OF RIVERSIDE**

**RESOLUTION NO. 2024-181**

**APPROVING HOME INVESTMENT PARTNERSHIPS AMERICAN RESCUE PLAN ACT (HOME-ARP) FUNDING ALLOCATION IN AN AMOUNT OF \$2,000,000, SUPPORT FOR APPLICATION FOR LOW-INCOME HOUSING TAX CREDITS TO THE CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE, AND SUPPORT FOR APPLICATION FOR AWARD OF PRIVATE ACTIVITY BONDS TO THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE FOR THE MULBERRY GARDENS FAMILY APARTMENTS MULTIFAMILY HOUSING PROJECT, LOCATED IN THE CITY OF RIVERSIDE**

**WHEREAS**, the COUNTY OF RIVERSIDE, a political subdivision of the State of California (“County”), is the recipient of funds derived from the HOME Investment Partnerships Act (“HOME”) Program, which was enacted under Title II of the Cranston Gonzalez National Affordable Housing Act of 1990;

**WHEREAS**, the County has identified the expansion of affordable rental housing stock for low-income households as a high housing priority through the County’s 2019-2024 Five Year Consolidated Plan;

**WHEREAS**, On October 19, 2021, Minute Order 3.21, the County of Riverside Board of Supervisors accepted an allocation of \$8,823,099 in HOME Investment Partnerships Act-American Rescue Plan (“HOME-ARP”) funds from the U.S. Department of Housing and Urban Development Office of Community Planning and Development (“HUD”). HOME-ARP funds were appropriated as a part of President Biden’s American Rescue Plan Act of 2021, with the purpose of providing housing, services, and shelter to individuals experiencing homelessness and other vulnerable populations;

**WHEREAS**, Eden Housing Inc., a California nonprofit public benefit corporation and an affordable housing developer and its affiliates (“Developer”), propose to develop a multi-family affordable rental housing project for low-income family households consisting of up to 149 affordable rental units and one (1) manager’s unit on approximately 2.81 acres of land located at 2560 Mulberry Street, in the City of Riverside, County of Riverside, State of California, identified as Assessor’s Parcel Number 209-130-003 (“Property”);

FORM APPROVED COUNTY COUNSEL  
BY:  AMRIT P. DHILLON  
DATE: 7/10/2024

*RESOLUTION NUMBER 2024-181  
Mulberry Gardens Family Apartments*

1           **WHEREAS**, Thirty-Seven (37) of the units will be restricted to households whose  
2 incomes do not exceed 30% of the Riverside County Area Median Income;

3           **WHEREAS**, Developer has submitted an application to County requesting financial  
4 assistance in a loan amount of \$2,000,000 in HOME-ARP funds (“County Allocation”) to  
5 develop Mulberry Gardens Family Apartments (“Project”). The County Allocation is needed to  
6 fill an existing financing gap in the amount of \$2,000,000 for the Project;

7           **WHEREAS**, the California Tax Credit Allocation Committee (“TCAC”) allocates low-  
8 income housing tax credits to eligible affordable housing projects to raise project equity through  
9 the sale of tax benefits to investors;

10           **WHEREAS**, the Developer intends to submit an application to TCAC for an allocation  
11 of low-income housing tax credits and the proceeds from the sale of such tax credits will be used  
12 to finance Project costs;

13           **WHEREAS**, the California Debt Limit Allocation Committee (“CDLAC”) awards from  
14 its annual volume cap, private activity bonds to eligible issuers of bonds to be used for affordable  
15 housing projects;

16           **WHEREAS**, the Developer intends to submit an application to CDLAC for an award of  
17 private activity bonds, and the proceeds from the sale of bonds will be used to finance Project  
18 costs;

19           **WHEREAS**, to complete the TCAC and CDLAC application process, the Developer  
20 must provide a resolution from the local jurisdictions, including the County, supporting the  
21 Project;

22           **WHEREAS**, the Developer has successfully completed several affordable housing  
23 complexes in the County;

24           **WHEREAS**, the County desires to approve an allocation of HOME-ARP funds in the  
25 amount not to exceed \$2,000,000, to be used to pay a portion of the costs to develop and  
26 construct Project on the Property, subject to Developer’s satisfaction of certain conditions  
27 precedent as set forth below for the benefit of the County; and

28           **WHEREAS**, the County desires to support the Developer’s application to California

1 CDLAC for an award of private activity bonds from the annual volume cap and TCAC for an  
2 allocation of low-income housing tax credits, respectively.

3 **NOW THEREFORE, BE IT RESOLVED, FOUND, DETERMINED AND**  
4 **ORDERED** by the Board of Supervisors of the County of Riverside (“Board”), in regular  
5 session assembled on July 30, 2024, in the meeting room of the Board of Supervisors located on  
6 the 1st floor of the County Administrative Center, 4080 Lemon Street, Riverside, California, as  
7 follows:

8 1) That the Board of Supervisors hereby finds and declares that the above recitals are true  
9 and correct and incorporated as though set forth herein.

10 2) The Board of Supervisors supports the Developer’s applications to CDLAC/TCAC for  
11 an award of private activity bonds and an allocation of low-income housing tax credits,  
12 the sale proceeds of both of which will be used to finance proposed Project to construct  
13 up to one-hundred forty nine (149) affordable rental units, plus one (1) residential  
14 manager’s unit, on real property located on approximately 2.81 acres of land located at  
15 2560 Mulberry Street, in the City of Riverside, County of Riverside, State of California,  
16 identified as Assessor Parcel Number 209-130-003.

17 3) The Board of Supervisors subject to any restrictions on the use HOME-ARP funds  
18 agrees to provide the County Allocation to the Developer in loan amount to exceed  
19 \$2,000,000 of HOME-ARP funds, for construction of eligible activities on the Project,  
20 subject to the satisfaction of the following conditions precedent:

21 a. Borrower: Mulberry Gardens Family, L.P., a California limited partnership  
22 collectively managed by Mulberry Gardens Family LLC, a California limited  
23 liability company as its Managing General Partner, and Mulberry Gardens Family  
24 LLC, a California limited liability company as its Administrative General Partner.  
25 Whereas Eden Housing, Inc., a California nonprofit public benefit corporation is  
26 the sole owner of Mulberry Gardens Family LLC, for the specific purpose of  
27 selling tax credits and developing, constructing, and owning the Project;

28 b. Project Name: Mulberry Gardens Family Apartments;

- 1 c. HOME ARP Loan Amount: Not to exceed Two Million Dollars (\$2,000,000);
- 2 d. Interest: Three percent (3%) simple interest;
- 3 e. Affordability Period: 55 years from recordation of the Notice of Completion in
- 4 the official records of the County of Riverside;
- 5 f. HOME ARP Loan Term: 55 years;
- 6 g. Repayment: Loan payments derived from the Project's residual receipts;
- 7 h. Entitlements and Governmental Approvals: Secure any and all required land use
- 8 entitlements, permits and approvals which may be required for construction of the
- 9 Project, including but not limited to, compliance with the California
- 10 Environmental Quality Act and the National Environmental Policy Act;
- 11 i. Other Financing: the HOME-ARP loan is expressly conditioned upon the
- 12 Developer's ability to secure sufficient equity capital or firm and binding
- 13 commitments for financing necessary to undertake the development and
- 14 construction of the Project. All financing contemplated or projected with respect
- 15 to the Project shall be, or have been, approved in form and substance by the Board
- 16 of Supervisors. Other Project financing sources are anticipated to include a City
- 17 of Riverside HOME loan in the amount of \$1,154,171, a tax-exempt JPMorgan
- 18 Chase construction loan in the amount of \$44,144,998, a taxable construction loan
- 19 in the amount of \$8,519,753, Local Government Matching Grants funds from the
- 20 State of California Department of Housing and Community Development in the
- 21 amount of \$8,100,000, Infill Infrastructure Grant funds from the State of
- 22 California Department of Housing and Community Development in the amount of
- 23 \$8,746,488, Build Grant in the amount of \$648,475, General Partner Equity in the
- 24 amount of \$100, Limited Partner Equity in the amount \$3,928,961;
- 25 j. Monitoring Fee: Payment of annual compliance monitoring fee to the County of
- 26 Riverside Department of Housing and Workforce Solutions (HWS) in the amount
- 27 of \$11,500. Monitoring fee to be adjusted annually, not to exceed an increase in
- 28 the Consumer Price Index; and



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k. Successful negotiation of loan agreements evidencing the loan of the HOME-ARP funds in the amounts approved herein, approved as to form by County Counsel, approved by the Board of Supervisors and executed by all required parties.

4) The Board of Supervisors' commitment to provide the HOME-ARP loan is subject to the satisfaction of the conditions precedent set forth herein, is valid until July 31, 2025, and shall thereafter have no force or effect, unless a HOME-ARP loan agreement related to the financing of the Project (approved as to form by County Counsel) has been executed by the Board of Supervisors and the Developer.


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ROLL CALL:

Ayes: Jeffries, Washington, Spiegel, Perez, and Gutierrez  
Nays: None  
Absent: None

The foregoing is certified to be a true copy of a resolution duly adopted by said Board of Supervisors on the date therein set forth.

KIMBERLY A. RECTOR, Clerk of said Board

By:  \_\_\_\_\_  
Deputy