

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



ITEM: 10.2
(ID # 26176)

MEETING DATE:

Tuesday, December 03, 2024

FROM : HOUSING AUTHORITY

SUBJECT: HOUSING AUTHORITY: Approve the Forms of Amendment to Regulatory Agreement, Amendment to Deed of Trust, and Amendment to Promissory Note, for State of California Department of Housing and Community Development (HCD) Joe Serna Jr. Farmworker Housing Grant Number 04-FWHG-0308, and Authorize the Executive Director of the Housing Authority to Execute the Documents; District 4. [\$0]; CEQA Exempt. (Clerk of the Board to File the Notice of Exemption)

RECOMMENDED MOTION: That the Board of Commissioners:

1. Find that the project is exempt from California Environmental Quality Act (CEQA) pursuant to State CEQA guidelines Section 15601(b)(3);
2. Approve the attached form of Department of Housing and Community Development Farmworker Housing Grant Program (FWHG) Amendment to the Regulatory Agreement Grant Number 04-FWHG-0308 (Regulatory Agreement Amendment), to be entered into between the Housing Authority of the County of Riverside, ("HACR") and the Department of Housing and Community Development (HCD);

Continued on page 2

ACTION:Policy



Heidi Marshall, Director of Housing, Homelessness Prevention 10/17/2024

MINUTES OF THE BOARD OF COMMISSIONERS

On motion of Commissioner Gutierrez seconded by Commissioner Spiegel 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: December 3, 2024
xc: HACR, Recorder, State Clearinghouse

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:

3. Approve the attached form of Department of Housing and Community Development Joe Serna Junior Farmworker Housing Grant Program Amendment to Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (Construction and Permanent Financing) Grant Number 04-FWHG-0308 (Amended Deed of Trust) to be entered into between HACR and HCD;
4. Approve the attached form of Department of Housing and Community Development Farmworker Housing Grant Program (FWHG) Amendment to the Promissory Note Secured by Deed of Trust Grant Number 04-FWHG-0308 (Amended Promissory Note) to be entered into between HACR and HCD;
5. Authorize the Executive Director of HACR, or designee, to execute a Regulatory Agreement Amendment, an Amended Deed of Trust, and an Amended Promissory Note, conforming in form and substance to the attached documents, subject to approval as to form by County Counsel, and to take all necessary steps to implement the attached documents, including but not limited to signing subsequent necessary and relevant documents, subject to approval as to form by County Counsel; and
6. Direct the Clerk of the Board to file the Notice of Exemption with the County Clerk and the State Clearinghouse at the Office of Planning and Research (OPR) within five (5) business days of approval.

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: Department of Housing and Community Development a public agency of the State of California Farmworker Housing Grant Program Contract 04-FWHG-0308			Budget Adjustment:	No
			For Fiscal Year:	24/25

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The Housing Authority of the County of Riverside (Housing Authority) owns the Desert Rose Apartment complex (formerly known as Ripley Farmworker Apartments). The housing consists of 76 units of multifamily affordable rental apartments located at 24501 School Road in the unincorporated community of Ripley in Riverside County and further identified as Assessor's Parcel No. 872-210-026 (Project). The units are rented to and occupied by low-income households, with a priority for farm worker households.

The Housing Authority acquired the Project in 2005 from the State of California with the goal of providing affordable housing at this location in perpetuity. Since then, the Housing Authority has continuously renovated and upgraded the facility to enhance energy efficiency, including

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

repurposing the community room as a childcare center to offer essential services to tenants and surrounding residents.

Currently, the Project is subject to two Affordability Covenants. The first is a 55-year affordability covenant recorded by the former Redevelopment Agency of the County of Riverside, set to expire in 2060, which restricts all units to low-income individuals. The second is an affordability covenant held by the California Department of Housing and Community Development (HCD) related to the Joe Serna Junior Farmworker Housing Grant (FWHG) funds awarded to the Housing Authority for improvements to the Project, set to expire in 2026. While the FWHG requires housing for farmworkers, staff have faced challenges in identifying interested farmworkers due to the closure of farms in the area.

To address this issue, staff have been collaborating closely with HCD over the years to allow other low-income individuals to reside in the Project, rather than leaving units vacant if no farmworkers are interested. The attached amendment formalizes the agreement with HCD, enabling the Housing Authority to manage the Project while prioritizing units for farmworkers and permitting leasing to other low-income individuals when no farmworkers are identified. Additionally, the amendment extends the affordability period by 17 years, now set to expire in 2043.

Further, staff have reviewed this action and the applicability of the California Environmental Quality Act (CEQA). It is determined that the Regulatory Agreement Amendment, Amended Deed of Trust, and Amended Promissory Note do not constitute a project under the California Environmental Quality Act (CEQA) and thus exempt under Section 15061(b)(3) of the State CEQA Guidelines "General Rule", in that it can be seen with certainty that this activity does not have the potential to, and will not, significantly impact the environment.

Impact on Residents and Businesses

This affordable housing project will continue to provide housing for farmworker households and other low-income families in the community for foreseeable future.

Additional Fiscal Information

No impact upon the County's General Fund, the action being considered only amends existing agreements.

ATTACHMENTS:

- Form of Amendment to Regulatory Agreement
- Form of Amendment to Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing
- Form Amendment to Promissory Note Secured by Deed of Trust
- Notice of Exemption (Clerk to Record)

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



Erianna Lontajo, Principal Management Analyst 11/19/2024



Aaron Gettis, Chief of Deputy County Counsel 11/14/2024



FILED / POSTED

County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder

E-202401280
12/03/2024 04:48 PM Fee: \$ 50.00
Page 1 of 1

Removed By: 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: Housing Authority for the County of Riverside
 Address: 4080 Lemon Street, Suite 400 Riverside, CA 92501
 Contact: Leah Rodriguez
 Phone: (760) 863-2534

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: Juan Garcia
 Phone: (951) 955-8126

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):

Desert Rose Apartments Amendment to Regulatory Agreement, Amendment to Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, Amendment to Promissory Note, for State of California Department of Housing and Community Development, Joe Serna Jr. Farmworker Housing Grant Number 04-FWHG-0308; District 4, [S]; CEQA Exempt.

Project Location (include county): The Desert Rose Apartment complex (formerly known as Ripley Farmworker Apartments) located at 24501 School Road in the unincorporated community of Ripley, Riverside County and further identified as Assessor's Parcel No. 872-210-026

Project Description: The Proposed Project consists of Amendment to Loan Documents thereby extending the affordability period to 2043 which will allow for the specific targeting and prioritization of special needs population of farm worker households at the Desert Rose Apartment Complex.

Project Sponsor: Housing Authority for the County of Riverside
 This is to advise that the Housing Authority, County of Riverside Board of Commissioners approved the above project on December 3, 2024 (Tentative date) and has made the following determinations regarding the above-described project:
 Lead agency or Responsible Agency

Find the Desert Rose Apartments Amendment to Regulatory Agreement, Amendment to Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing, Amendment to Promissory Note, for State of California Department of Housing and Community Development, Joe Serna Jr. Farmworker Housing Grant Number 04-FWHG-0308 does not constitute a project under the California Environmental Quality Act (CEQA) and is exempt under Section 15061(b)(3) of the State CEQA Guidelines "General Rule" in that it can be seen with certainty that this activity does not have a potential to, and will not, significantly impact the environment.

Signature: (Public Agency) Juan Garcia Title: Deputy Director
 Date: 11/15/24 Date received for filing at OPR: _____

Document Root (Read-Only)

Selected Document

2024120077 - NOE - Desert Rose Apa.Itrnents Amendment to Regulatory Agreement, Amendment to Deed of Trust, Agreement of Rents, Security Agreement and Fixture Filing, Amendment to

Riverside County

Created - 12/4/2024 | Submitted - 12/4/2024 | Posted - 12/4/2024 | Received - 12/4/2024 | Published - 12/4/2024

Naomy Sicra

Document Details

Public Agency

Riverside County

Document Type

Notice of Exemption

Document Status

Published

Title

Desert Rose Apa.Itrnents Amendment to Regulatory Agreement, Amendment to Deed of Trust, Agreement of Rents, Security Agreement and Fixture Filing, Amendment to

Document Description

The Proposed Project consists of Amendment to Loan Documents thereby extending the affordability period to 2043 which will allow for the specific targeting and prioritization of special needs population of farm worker households at the Desert Rose Apartment Complex.

Attachments (Upload Project Documents)

NOE_Desert Rose Apa.Itrnents Amendment to.pdf

Free recording in accordance with
California Government Code
Sections 6103 and 27383

**Recording Requested by and
When Recorded Mail to:**

State of California
Department of Housing and Community
Development
Division of Financial Assistance
Compliance Resolution Program
P.O. Box 952054
Sacramento, California 94252-2054
Attention: CRP Manager

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
FARMWORKER HOUSING GRANT PROGRAM (FWHG)
AMENDMENT TO THE REGULATORY AGREEMENT**

Grant Number: 04-FWHG-0308

INTRODUCTION

This Amendment (the "Amendment") to that certain Regulatory Agreement (Rental) dated July 14, 2005, and recorded on July 14, 2005, as Instrument No. 2005-0564535 (the "FWHG Regulatory Agreement") in the Official Records of the County of Riverside (the "Official Records"), is dated June 20, 2024, for references purposes only, and is entered into by and between the Housing Authority of the County of Riverside, a public entity, corporate and politic (the "Borrower"), and the Department of Housing and Community Development, a public agency of the State of California (the "Department"), both herein also referred to as the "Parties".

RECITALS

- A. Whereas, the Borrower is the owner of that certain real property located at: 24501 School Road, City of Ripley, County of Riverside, State of California, legally described on Exhibit A attached hereto and made a part hereof (the "Property");
- B. Whereas, the Department provided a forgivable loan to the Borrower through the Farmworker Housing Grant ("FWHG") Program in the amount of Three Million

Dollars (\$3,000,000.00) as evidenced by that certain Promissory Note Secured by Deed of Trust executed on or about July 14, 2005 (the "FWHG Note");

- C. Whereas, the FWHG Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing dated July 14, 2005, recorded in the Official Records on July 14, 2005, as Instrument No. 2005-0564536 (the "FWHG Deed of Trust"), secures the FWHG Promissory Note and the FWHG Regulatory Agreement;
- D. Whereas, the Borrower is in default for not providing housing to farmworker households as required by the FWHG Regulatory Agreement;
- E. Whereas, the Department issued a Preliminary Notice of Declaration of Default, dated December 22, 2023, to the Borrower, indicating the breaches of the FWHG Regulatory Agreement;
- F. Whereas, the Borrower and the Department desire to cure the default by amending the FWHG Regulatory Agreement to recognize the decrease in the number of farmworkers needing housing in the Project area;
- G. Whereas, the Borrower and the Department desire to provide for a longer period of affordability by extending the termination date of the FWHG Regulatory Agreement.

TERMS AND CONDITIONS

NOW, THEREFORE, the parties agree as follows:

1. Incorporation of Recitals. The recitals set forth above, and all defined terms set forth in such recitals and in the introductory paragraph preceding the recitals, are true, correct, and incorporated into these Terms and Conditions as if set forth herein in full.
2. Effective Date. The provisions of this Amendment will take effect upon the recordation in the Official Records.
3. Provisions. The provisions of this Amendment shall supersede any and all provisions of the FWHG Regulatory Agreement expressly amended herein. To the extent that any unamended provision of the FWHG Regulatory Agreement conflicts with this Amendment, the terms of this Amendment shall be controlling. All other unamended terms, conditions, and covenants of the FWHG Regulatory Agreement shall remain in full force and effect.
4. Amendment of the FWHG Regulatory Agreement.
 - a. Recitals:

Paragraph II is replaced in its entirety with the following:

The Property shall be improved with the number of residential rental units identified in Attachment B (the "Development"). Priority for occupancy of the Assisted Units is to be given to farmworker households, as that term is defined by the Program statutes and regulations; all other improvements now or hereafter erected on the Property shall be deemed to be and remain a part of the Development and covered by this Regulatory Agreement. In addition, all easements; rights; appurtenances: rents; royalties; mineral, oil, and gas rights and profits; all personal property related to the operation of the Property as a rental housing development which are not fixtures; and all fixtures now or hereafter attached to the Property, all of which, including replacements and additions thereto, shall be deemed to be and remain part of the Development covered by this Regulatory Agreement.

b. Paragraph 7. Tenant Selection Procedures:

Subparagraph a. is replaced in its entirety with the following:

Grantee shall select only eligible households, as tenants of vacant Assisted Units, using procedures approved by the State that include:

(1) Reasonable criteria for selection or rejection of tenant applications which shall not discriminate in violation of any federal, state or local law governing discrimination, or any other arbitrary factor;

(2) Prohibition of local residency requirements;

(3) Prohibition of local residency preferences, except where accompanied by an equal preference for employment in the local area and applied to areas not smaller than municipal jurisdictions or recognized communities within unincorporated areas;

(4) Tenant selection procedures that include the following components, and that are available to prospective tenants upon request:

(A) Selection of tenants based on order of application, lottery or other reasonable method approved by the State;

(B) Notification to tenant applicants of eligibility for residency and, based on turnover history for Units in the Rental

Housing Development, the approximate date when a Unit may be available;

- (C) Notification of tenant applicants who are found ineligible to occupy an Assisted Unit of their ineligibility and the reason for the ineligibility, and of their right to appeal this determination;
- (D) Maintenance of a waiting list of applicant households eligible to occupy Assisted Units and Units designated for various tenant income levels, which shall be made available to prospective tenants upon request;
- (E) Targeting specific special needs populations in accordance with the Regulatory Agreement and applicable laws; and
- (F) Affirmative fair housing marketing procedures as specified in the Affirmative Fair Housing Marketing Plan Compliance Regulations of the United States Department of Housing and Urban Development, (24) CFR part 200.620 (a)-(c), or similar affirmative fair marketing housing plan as approved by the State.

c. Paragraph 7. Tenant Selection Procedures:

Subparagraph b. is replaced in its entirety with the following:

The employment of all households occupying Assisted Units shall be certified by Grantee prior to occupancy and recertified annually thereafter in the manner specified in the Development's approved Management Plan.

d. Paragraph 10. Rental Agreement and Occupancy Procedures:

Subparagraph a. is replaced in its entirety with the following:

Each eligible household selected to occupy an Assisted Unit in the Development shall enter into a written rental or occupancy agreement with Grantee, the form of which shall have been approved by the State.

e. Attachment B to the Regulatory Agreement:

Paragraph 2. Term: is replaced in its entirety with the following:

- a. Lien Duration: 35 years

b. **Regulatory Agreement Termination Date:** 35 years from Initial Occupancy Date.

c. **Initial Occupancy Date:** November 1, 2008

f. **References to the Deed of Trust:** All references to the "Deed of Trust" in the FWHG Regulatory Agreement, and as amended herein, shall include the "Amendment To Deed Of Trust, Assignment Of Rents, Security Agreement And Fixture Filing (Construction And Permanent Financing)".

g. **References to the Note:** All references to the "Note" in the FWHG Regulatory Agreement, and as amended herein, shall include the "Amendment to the Promissory Note Secured By Deed Of Trust."

h. **References to the Regulatory Agreement:** All references to the "Regulatory Agreement" in the FWHG Regulatory Agreement, and as amended herein, shall include the "Amendment to the Regulatory Agreement."

5. **Further Assurances.** The Parties hereto agree to execute, acknowledge, and deliver to the Department such other documents and instruments as the Department deems necessary or convenient to carry out the intent of this Amendment.
6. **Valid Binding Agreements.** This Amendment and all documents or instruments executed and delivered pursuant to or in connection with this Amendment constitute or, if not yet executed or delivered, will when so executed and delivered constitute, legal, valid and binding obligations of the Trustor enforceable against it in accordance with their respective terms.
7. **Governing Law.** This Amendment shall be governed by and construed in accordance with the laws of the State of California.
8. **Successors and Assigns.** This Amendment shall be binding on and inure to the benefit of the Parties to it, their heirs, executors, administrators, successors in interest, and assigns.
9. **No Precedence.** The Parties agree and understand that nothing in this Amendment shall be evidence of any kind of past practice in any other case or matter except as expressly stated in this Amendment. The Parties further agree and understand that nothing herein shall be deemed precedential in any other case or matter.
10. **Descriptive Headings.** The headings, captions, and section numbers appearing in this Amendment are inserted for the reader's convenience only and are not determinative of the meaning or effect of any such provision.

11. Multiple Counterparts. This Amendment may be signed by different parties hereto in counterparts with the same effect as if the signatures to each counterpart were upon a single instrument. All counterparts shall be deemed an original of this Amendment.

****SIGNATURE PAGE FOLLOWS****

Signature Page

All signatures must be acknowledged for recordation.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT TO THE REGULATORY AGREEMENT.

BORROWER:

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

By: _____
Heidi Marshall, Executive Director

APPROVED AS TO FORM:
MINH C. TRAN
GENERAL COUNSEL

By:  _____
Amrit P. Dhillon, Deputy General Counsel

DEPARTMENT:

Department of Housing and Community Development,
a public agency of the State of California

By: _____
Rebecca Weber, Section Chief
Compliance Resolution Program

All signatures must be acknowledged

**EXHIBIT A
LEGAL DESCRIPTION**

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

THAT PORTION OF TRACT 176, AS SHOWN BY INDEPENDENT RESURVEY OF TOWNSHIP 7 SOUTH, RANGE 22 EAST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS ACCEPTED BY THE GENERAL LAND OFFICE 1919, LYING WESTERLY OF THE WEST BOUNDARY OF THE TOWNSITE OF RIPLEY, AS SHOWN BY MAP RECORDED IN BOOK 10, PAGE 33, OF MAPS. IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF BLOCK 7 OF SAID TOWNSITE OF RIPLEY AS SHOWN ON SAID MAP.

THENCE NORTH 0° 58' WEST, 150 FEET, ON THE WEST LINE OF SAID BLOCK, TO THE TRUE POINT OF BEGINNING:

THENCE SOUTH 89° 02' WEST, 80 FEET TO THE SOUTHEAST CORNER OF THAT PARCEL DESCRIBED IN DEED TO CHARLIE LEONARD, RECORDED APRIL 1, 1955 IN BOOK 1717 PAGE 181 AS INSTRUMENT NO. 21427 OF OFFICIAL RECORDS:

THENCE ON THE EAST, NORTH AND WEST BOUNDARIES OF THE LEONARD PARCEL, THE FOLLOWING COURSES AND DISTANCES: NORTH 50 FEET, WEST 150 FEET SOUTH 50 TO A POINT ON THE NORTH LINE OF THAT PARCEL DESCRIBED IN DEED TO PALO VERDE VALLEY UNION SCHOOL DISTRICT, RECORDED SEPTEMBER 16, 1926 IN BOOK 687, PAGE 404 AS INSTRUMENT NO 1066 OF OFFICIAL RECORDS:

THENCE SOUTH 89° 2' WEST 1108 FEET, ON THE NORTHERLY LINE OF SAID SCHOOL DISTRICT PARCEL AND THE WESTERLY EXTENSION THEREOF, TO A POINT ON THE WEST LINE OF SAID TRACT 176:

THENCE NORTH 400.00 FEET, ON THE WEST LINE OF SAID TRACT 176, TO THE SOUTHERLY RIGHT OF WAY LINE OF THE CALIFORNIA SOUTHERN RAILROAD COMPANY LAND AS DESCRIBED IN DEED RECORDED OCTOBER 11, 1921 IN BOOK 551, PAGE 480 OF DEEDS:

THENCE EASTERLY 1338 FEET, ON THE SOUTHERLY RIGHT OF WAY LINE OF SAID RAILROAD PARCEL, TO THE WEST LINE OF SAID TOWNSITE OF RIPLEY:

THENCE SOUTH 0° 58' EAST 400 FEET, ON SAID WEST LINE, TO THE POINT OF BEGINNING.

Free recording in accordance with
California Government Code
Sections 6103 and 27383

**Recording Requested by and
When Recorded Mail to:**

State of California
Department of Housing and Community
Development
Division of Financial Assistance
Compliance Resolution Program
P.O. Box 952054
Sacramento, California 94252-2054
Attention: CRP Manager

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
JOE SERNA JUNIOR FARMWORKER HOUSING GRANT PROGRAM
AMENDMENT TO DEED OF TRUST, ASSIGNMENT OF RENTS,
SECURITY AGREEMENT AND FIXTURE FILING (CONSTRUCTION AND
PERMANENT FINANCING)**

GRANT NUMBER: 04-FWHG-0308

INTRODUCTION

This amendment (the "Amendment") to that certain Deed of Trust with Assignment of Rents, Security Agreement and Fixture Filing (Construction and Permanent Financing) dated July 14, 2005, and recorded on July 14, 2005, as Instrument No. 2005-0564536 (the "FWHG Deed of Trust"), in the Official Records of the County of Riverside (the "Official Records"), is dated June 20, 2024, for reference purposes only, and is entered into by and between the Housing Authority of the County of Riverside (the "Trustor"), and the Department of Housing and Community Development, a public agency of the State of California (the "Department"), both herein also referred to as the "Parties".

RECITALS

- A. Whereas, the Trustor is the owner of that certain real property located at: 24501 School Road, City of Ripley, County of Riverside, State of California, legally described on Exhibit A attached hereto and made a part hereof (the "Property");
- B. Whereas, the Trustor and the Department acknowledge that the total outstanding loan balance due to the Department as of May 1, 2024, is \$3,000,000.00 of which \$3,000,000.00 is principal and \$0.00 accrued interest, as evidenced by that certain Promissory Note Secured by Deed of Trust in the amount of \$3,000,000.00 entered into on or about July 14, 2005 (the "FWHG Note");
- C. Whereas, the Borrower is in default for not providing housing to farmworker households as required by the FWHG Regulatory Agreement;
- D. Whereas, the Trustor and the Department are resolving the default through amending the terms of the FWHG Regulatory Agreement to recognize the decrease in the number of farmworkers needing housing in the Project area;
- E. Whereas, the Borrower and the Department desire to provide for a longer period of affordability by extending the termination date of the FWHG Regulatory Agreement and the Maturity Date of the FWHG Note.
- F. Whereas, the Trustor and the Department desire to conform the FWHG Deed of Trust to the agreed terms of the FWHG Note and FWHG Regulatory Agreement, as amended concurrently herewith;

TERMS AND CONDITIONS

NOW, THEREFORE, the Parties agree as follows:

1. Incorporation of Recitals. The recitals set forth above, and all defined terms set forth in such recitals and in the introductory paragraph preceding the recitals, are true, correct, and incorporated into these Terms and Conditions as if set forth herein in full.
2. Effective Date. The provisions of this Amendment will take effect upon the recordation of the Amendment to the FWHG Regulatory Agreement in the Official Records.
3. Provisions. The provisions of this Amendment shall supersede any and all provisions of the FWHG Deed of Trust expressly amended herein. To the extent that any unamended provision of the FWHG Deed of Trust conflicts with this Amendment, the terms of this Amendment shall be controlling. All other unamended terms, conditions, and covenants of the FWHG Deed of Trust shall remain in full force and effect.

4. Maturity Date. The entire unpaid principal balance together with all accrued and unpaid interest thereon shall be fully forgiven, discharged, and satisfied upon full compliance with the terms and conditions of the FWHG Regulatory Agreement as modified by the Amendment to the FWHG Regulatory Agreement recorded concurrently herewith.
5. Amendment of Deed of Trust.

- A. Section B of the FWHG Deed of Trust, as amended herein, is deleted and replaced with the following:

“The interests herein conveyed are for the purpose of securing to State (i) the repayment of the indebtedness evidenced by Trustor’s promissory note dated of even date herewith (the “Note”), in principal sum of Three Million and No/100 dollars (\$3,000,000.00), which is further amended in that certain Amendment to the Promissory Note Secured by Deed of Trust entered into on or about June 20, 2024 or such lesser amount as shall equal the aggregate amount disbursed to or on behalf of Trustor by State, with interest thereon, if any, providing for full payment, due and payable as specified therein; (ii) performance under the Regulatory Agreement; (iii) the performance of the covenants and agreements of Trustor herein contained, or contained in the Note; and (iv) any other obligation or other evidence of indebtedness of Trustor to State now or hereafter created whether acquired by assignment from third parties, or otherwise, where such obligation or other evidence of indebtedness specifically recites that it is secured by this Deed of Trust and by the Amendment To Deed Of Trust, Assignment Of Rents, Security Agreement And Fixture Filing (Construction And Permanent Financing).

- B. References to the Deed of Trust. All references to the “Deed of Trust” in the FWHG Deed of Trust, and as amended herein, include the “Amendment To Deed Of Trust, Assignment Of Rents, Security Agreement And Fixture Filing (Construction And Permanent Financing).”
- C. References to the Note. All references in the FWHG Deed of Trust, and as amended herein, to the “Note” shall include the “Amendment to the Promissory Note Secured By Deed Of Trust.”
- D. References to the Regulatory Agreement. All references in the FWHG Deed of Trust, and as amended herein, to the “Regulatory Agreement” shall include the “Amendment to the FWHG Regulatory Agreement.”

6. Valid Binding Agreements. This Amendment and all documents or instruments executed and delivered pursuant to or in connection with this Amendment constitute or, if not yet executed or delivered, will when so executed and delivered constitute, legal, valid and binding obligations of the Trustor enforceable against it in accordance with their respective terms.
7. Further Assurances. The Parties hereto agree to execute, acknowledge, and deliver to the Department such other documents and instruments as the Department deems necessary or convenient to carry out the intent of this Amendment.
8. Successors and Assigns. This Amendment shall be binding on and inure to the benefit of the Parties to it, their heirs, executors, administrators, successors in interest, and assigns.
9. Governing Law. This Amendment shall be governed by and construed in accordance with California law.
10. No Precedence. The Parties agree and understand that nothing in this Amendment shall be evidence of any kind of past practice in any other case or matter except as expressly stated in this Amendment. The Parties further agree and understand that nothing herein shall be deemed precedential in any other case or matter.
11. Descriptive Headings. The headings, captions, and section numbers appearing in this Amendment are inserted for the reader's convenience only and are not determinative of the meaning or effect of any such provision.
12. Multiple Counterparts. This Amendment may be executed in multiple counterparts, all of which together shall constitute a single instrument.

Remainder of page intentionally left blank

[Signature page follows]

Signature Page

All signatures must be acknowledged for recordation.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT TO THE DEED OF TRUST ASSIGNMENT OF RENTS, SECURITY AGREEMENT AND FIXTURE FILING (CONSTRUCTION AND PERMANENT FINANCING).

BORROWER:

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

By: _____
Heidi Marshall, Executive Director

APPROVED AS TO FORM:
MINH C. TRAN
GENERAL COUNSEL

By:  _____
Amrit P. Dhillon, Deputy General Counsel

DEPARTMENT:

Department of Housing and Community Development,
a public agency of the State of California

By: _____
Rebecca Weber, Section Chief
Compliance Resolution Program

All signatures must be acknowledged

**EXHIBIT A
LEGAL DESCRIPTION**

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

THAT PORTION OF TRACT 176, AS SHOWN BY INDEPENDENT RESURVEY OF TOWNSHIP 7 SOUTH, RANGE 22 EAST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS ACCEPTED BY THE GENERAL LAND OFFICE 1919, LYING WESTERLY OF THE WEST BOUNDARY OF THE TOWNSITE OF RIPLEY, AS SHOWN BY MAP RECORDED IN BOOK 10, PAGE 33, OF MAPS. IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF BLOCK 7 OF SAID TOWNSITE OF RIPLEY AS SHOWN ON SAID MAP.

THENCE NORTH 0° 58° WEST, 150 FEET, ON THE WEST LINE OF SAID BLOCK, ... TO THE TRUE POINT OF BEGINNING:

THENCE SOUTH 89° 02' WEST, 80 FEET TO THE SOUTHEAST CORNER OF THAT PARCEL DESCRIBED IN DEED TO CHARLIE LEONARD, RECORDED APRIL 1, 1955 IN BOOK 1717 PAGE 181 AS INSTRUMENT NO. 21427 OF OFFICIAL RECORDS:

THENCE ON THE EAST, NORTH AND WEST BOUNDARIES OF THE LEONARD PARCEL, THE FOLLOWING COURSES AND DISTANCES: NORTH 50 FEET, WEST 150 FEET SOUTH 50 TO A POINT ON THE NORTH LINE OF THAT PARCEL DESCRIBED IN DEED TO PALO VERDE VALLEY UNION SCHOOL DISTRICT, RECORDED SEPTEMBER 16, 1926 IN BOOK 687, PAGE 404 AS INSTRUMENT NO 1066 OF OFFICIAL RECORDS:

THENCE SOUTH 89° 2' WEST 1108 FEET, ON THE NORTHERLY LINE OF SAID SCHOOL DISTRICT PARCEL AND THE WESTERLY EXTENSION THEREOF, TO A POINT ON THE WEST LINE OF SAID TRACT 176:

THENCE NORTH 400.00 FEET, ON THE WEST LINE OF SAID TRACT 176, TO THE SOUTHERLY RIGHT OF WAY LINE OF THE CALIFORNIA SOUTHERN RAILROAD COMPANY LAND AS DESCRIBED IN DEED RECORDED OCTOBER 11, 1921 IN BOOK 551, PAGE 480 OF DEEDS:

THENCE EASTERLY 1338 FEET, ON THE SOUTHERLY RIGHT OF WAY LINE OF SAID RAILROAD PARCEL, TO THE WEST LINE OF SAID TOWNSSITE OF RIPLEY:

THENCE SOUTH 0° 58' EAST 400 FEET, ON SAID WEST LINE, TO THE POINT OF BEGINNING.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

FARMWORKER HOUSING GRANT PROGRAM (FWHG)

**AMENDMENT TO THE
PROMISSORY NOTE SECURED BY DEED OF TRUST**

Grant Number: 04-FWHG-0308

INTRODUCTION

This amendment (the "Amendment") to that certain Promissory Note Secured by Deed of Trust in the amount of \$3,000,000.00 entered into on or about July 14, 2005 (the "FWHG Note") by the Housing Authority of the County of Riverside, a public entity, corporate and politic (the "Borrower"), is dated June 20, 2024, for reference purposes only, and is executed by and between the Borrower and the Department of Housing and Community Development, a public agency of the State of California (the "Department"), herein also referred to as the "Parties".

RECITALS

- A. Whereas, the Borrower is the owner of that certain real property located at 24501 School Road, City of Ripley, County of Riverside, State of California, legally described on Exhibit A, attached hereto and made a part hereof (the "Property");
- B. Whereas, the Department provided a forgivable loan to the Borrower through the Farmworker Housing Grant ("FWHG") Program in the amount of Three Million and No/100 dollars (\$3,000,000.00) as evidenced by the FWHG Note;
- C. Whereas, the Borrower and the Department acknowledge that the total outstanding loan of principal and accrued interest due to the Department as of the date of execution of this Amendment is approximately \$3,000,000.00, of which \$3,000,000.00, is principal and \$0 is accrued interest;
- D. Whereas, the Borrower and the Department desire, in order to provide an additional period of affordability, to extend the due date of the FWHG Note and the termination date of the FWHG Regulatory Agreement by an additional 15 years beyond the original 20-year period; and
- E. Whereas the Borrower and the Department have entered into that Amendment to Deed of Trust, Assignment of Rents, Security Agreement and Fixture Filing (Construction and Permanent Financing) (the "Amendment to the FWHG Deed of

Trust”) concurrently with this Amendment and recorded into the Official Records of the County of Riverside Recorder’s Office (“Official Records”);

- F. Whereas the Borrower and the Department have entered into that Amendment to the Regulatory Agreement (the “Amendment to the FWHG Regulatory Agreement”) concurrently with this Amendment and recorded into the Official Records; and
- G. Whereas, the Borrower and the Department desire that the date the entire unpaid principal balance together with all accrued and unpaid interest thereon shall be fully forgiven, discharged, and satisfied upon full compliance with the terms and conditions of the FWHG Regulatory Agreement as modified by the Amendment to the FWHG Regulatory Agreement recorded concurrently herewith (“Maturity Date”) of the FWHG Note be extended to the same termination date as that of the FWHG Regulatory Agreement as such termination date is extended by the Amendment to the FWHG Regulatory Agreement. Prepayment of the FWHG Note will have no effect on the termination date of the FWHG Regulatory Agreement.

TERMS AND CONDITIONS

NOW, THEREFORE, the parties agree as follows:

- 1. Incorporation of Recitals. The recitals set forth above, and all defined terms set forth in such recitals and in the introductory paragraph preceding the recitals, are true, correct, and incorporated into these Terms and Conditions as if set forth herein in full.
- 2. Effective Date. The provisions of this Amendment will take effect upon the recordation of the Amendment to the FWHG Regulatory Agreement in the Official Records.
- 3. Provisions. The provisions of this Amendment shall supersede any and all provisions of the FWHG Note expressly amended herein. To the extent that any unamended provision of the FWHG Note conflicts with this Amendment, the terms of this Amendment shall be controlling. All other unamended terms, conditions, and covenants of the FWHG Note shall remain in full force and effect.
- 4. Amendment of the Promissory Note.

A. Paragraph 14. is replaced in its entirety with the following:

This Note and the debt evidenced hereby shall be fully forgiven, discharged, and satisfied upon full compliance with the terms and conditions of the Regulatory Agreement as modified by the Amendment to the Regulatory Agreement.

- B. References to Deed of Trust: All references to "Deed of Trust" shall include the "Amendment To The Deed Of Trust, Assignment Of Rents, Security Agreement And Fixture Filing (Construction And Permanent Financing)".
- C. References to the Note: All references to "Note" shall include the "Amendment to the Promissory Note Secured By Deed Of Trust."
- D. References to the Regulatory Agreement: All references to "Regulatory Agreement" shall include the "Amendment to the Regulatory Agreement".
5. Successors and Assigns. This Amendment shall be binding on an inure to the benefit of the parties to it, their heirs, executors, administrators, successors in interest, and assigns.
- Valid Binding Agreements. This Amendment and all documents or instruments executed and delivered pursuant to or in connection with this Amendment constitute or, if not yet executed or delivered, will when so executed and delivered constitute, legal, valid and binding obligations of the Borrower enforceable against it in accordance with their respective terms.
6. Further Assurances. The Parties hereto agree to execute, acknowledge, and deliver to the Department such other documents and instruments as the Department deems necessary or convenient to carry out the intent of this Amendment.
7. Governing Law. This Amendment shall be governed by and construed in accordance with California Law.
8. No Precedence. The Parties agree and understand that nothing in this Amendment shall be evidence of any kind of past practice in any other case or matter except as expressly stated in this Amendment. The Parties further agree and understand that nothing herein shall be deemed precedential in any other case or matter.
9. Descriptive Headings. The headings, captions, and section numbers appearing in this Amendment are inserted for the reader's convenience only and are not determinative of the meaning or effect of any such provision.
10. Multiple Counterparts. This Amendment may be executed in multiple counterparts, all of which together shall constitute a single instrument.

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[Signature page follows]

Signature Page

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT TO THE PROMISSORY NOTE SECURED BY DEED OF TRUST.

BORROWER:

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

By: _____
Heidi Marshall, Executive Director

APPROVED AS TO FORM:
MINH C. TRAN
GENERAL COUNSEL

By:  _____
Amrit P. Dhillon, Deputy General Counsel

**EXHIBIT A
LEGAL DESCRIPTION**

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

THAT PORTION OF TRACT 176, AS SHOWN BY INDEPENDENT RESURVEY OF TOWNSHIP 7 SOUTH, RANGE 22 EAST, SAN BERNARDINO BASE AND MERIDIAN, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AS ACCEPTED BY THE GENERAL LAND OFFICE 1919, LYING WESTERLY OF THE WEST BOUNDARY OF THE TOWNSITE OF RIPLEY, AS SHOWN BY MAP RECORDED IN BOOK 10, PAGE 33, OF MAPS. IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF BLOCK 7 OF SAID TOWNSITE OF RIPLEY AS SHOWN ON SAID MAP.

THENCE NORTH 0° 58' WEST, 150 FEET, ON THE WEST LINE OF SAID BLOCK, TO THE TRUE POINT OF BEGINNING:

THENCE SOUTH 89° 02' WEST, 80 FEET TO THE SOUTHEAST CORNER OF THAT PARCEL DESCRIBED IN DEED TO CHARLIE LEONARD, RECORDED APRIL 1, 1955 IN BOOK 1717 PAGE 181 AS INSTRUMENT NO. 21427 OF OFFICIAL RECORDS:

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