

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



ITEM: 13.3
(ID # 27137)

MEETING DATE:

Tuesday, February 25, 2025

FROM : HOUSING AUTHORITY

SUBJECT: HOUSING AUTHORITY (HACR): Adopt Resolution No. 2025-001, Approving Funding Allocation of Up to \$2,104,640.22 from the Former Redevelopment Agency for the City of Coachella (RDA) Using Taxable Housing Bonds to Abode Communities and Support for Application for Low-Income Housing Tax Credits to the California Tax Credit Allocation Committee for the Villa Verde Housing Project Located in the City of Coachella; and Rescission of Resolution No. 2024-001; District 4. [\$2,104,640 - 100% Coachella RDA taxable Housing Bonds]

RECOMMENDED MOTION: That the Board of Commissioners:

1. Rescind Resolution No. 2024-001 previously approved on January 9, 2024;
2. Adopt Resolution No. 2025-001, Approving Funding Allocation of Up to \$2,104,640.22 from the Former City of Coachella Redevelopment Agency (RDA) Using Taxable Housing Bonds to Abode Communities and Support for Application for Low-Income Housing Tax Credits to the California Tax Credit Allocation Committee for the Villa Verde Housing Project Located in the City of Coachella; and

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ACTION:Policy


Heidi Marshall, Director of Housing, Homelessness Prevention

2/10/2025

MINUTES OF THE BOARD OF COMMISSIONERS

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

Ayes: Medina, Spiegel, Washington, Perez and Gutierrez
Nays: None
Absent: None
Date: February 25, 2025
xc: Housing

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 up to \$2,104,640.22 from former Coachella RDA using Taxable Housing Bonds (Program Income and ROPS lines 31 and 34) to Abode Communities, a California nonprofit public benefit corporation, for the Villa Verde Housing Project in the City of Coachella, subject to the conditions set forth in Resolution No. 2025-001.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$2,104,640	\$ 0	\$2,104,640	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: 100% Former Coachella RDA using Taxable Housing Bonds (Program Income and ROPS lines 31 and 34)			Budget Adjustment:	No
			For Fiscal Year:	2024/25

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On February 1, 2012, pursuant to ABx1 26, all California Redevelopment Agencies were eliminated, and the Housing Authority of the County of Riverside (HACR) assumed the housing functions of the former Redevelopment Agency for the City of Coachella (former RDA). The HACR acts as the Housing Successor to the former RDA (Coachella HASA). Subsequently on September 22, 2015, State budget trailer bill SB107 passed which made amendments to the existing dissolution law as defined in ABx1 26. Under the prior dissolution law, only housing bond proceeds from bonds issued prior to January 1, 2011, that were issued for affordable housing purposes and secured by a pledge of low- and moderate-income housing funds, remaining after satisfaction of enforceable obligations approved on a Recognized Obligation Payment Schedule (ROPS) were considered housing assets and were allowed to be expended. SB 107 changed the date by which the applicable housing bonds must have been issued from January 1, 2011, to June 28, 2011, and clarifies that the legislative intent is to allow housing successors to designate the use of and commit all unused housing bond proceeds pursuant to the bond covenants for housing bonds issued prior to June 28, 2011.

Abode Communities, an affordable housing developer (Developer), has applied to HACR requesting assistance in the form of former Coachella RDA using Taxable Housing Bonds in the amount of \$2,104,640.22 to pay a portion of the costs to develop and construct the Villa Verde Apartments, a first phase affordable multifamily low-income housing project (Proposed Project). The Proposed Project will be developed on 9.25 acres located at 84824 Calle Verde, in the City of Coachella, County of Riverside, State of California, identified as Assessor's Parcel Numbers 768-350-002 and 768-400-001 (Property). The Proposed Project will consist of 150 affordable units (along with two unrestricted property manager's units), 16 one-bedrooms units, 68 two-bedroom units, and 68 three-bedroom units.

**SUBMITTAL TO THE BOARD OF COMMISSIONERS HOUSING AUTHORITY
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The projected total cost of development during the permanent financing period is approximately \$82,806,134. In addition to the Taxable Bond Loan in the amount of \$2,104,640.22, other financing sources for the Proposed Project are anticipated to include approximately \$1,411,842 in land contribution from Housing Authority (HACR), \$450,000 predevelopment loan from HACR, \$35,725,518 in tax credit equity, \$6,115,251.78 loan from the County in PLHA Funds, \$16,938,000 tax-exempt permanent loan from California Community Reinvestment Corporation, \$476,158 in deferred interests, \$8,305,195 in deferred Developer fee, \$11,279,429 National Housing Trust Fund (NHTF) loan from the California Department of Housing and Community Development (HCD), \$11,274,429 No Place Like Home (NPLH) funds from HCD, and eighty-seven (87) project-based vouchers from HACR.

The Developer was successful in obtaining an award of qualified private activity tax-exempt bonds from the California Debt Limit Allocation Committee's second-round application on December 11, 2024. The Proposed Project was submitted as a Hybrid project serving large families. The Proposed Project will be comprised of a 9% component (yet to apply) consisting of 36 units and a 4% component (CA-24-744) consisting of 116 units.

To complete the California Tax Credit Allocation Committee (TCAC) application for an allocation of tax credits on March 18, 2025, the Developer must provide a resolution from the local jurisdiction providing support for the Proposed Project.

Staff recommends that the Board rescind Resolution No. 2024-001, previously approved on January 9, 2024 (agenda item 10.1), and adopt Resolution No. 2025-001. County Counsel has reviewed and approved the attached Resolution No. 2025-001 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, create 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 by Coachella HASA using former Coachella RDA Taxable Housing Bonds and identified as Program Income and ROPS lines 31 and 34.

Attachments:

- Resolution No. 2025-001


Brianna Lontajo, Principal Management Analyst 2/14/2025


Aaron Gettis, Chief of Deputy County Counsel 2/10/2025

BOARD OF COMMISSIONERS

HOUSING AUTHORITY OF THE
COUNTY OF RIVERSIDE

RESOLUTION 2025-001

**APPROVING FUNDING ALLOCATION OF UP TO \$2,104,640.22 FROM THE
FORMER REDEVELOPMENT AGENCY FOR CITY OF COACHELLA (RDA) USING
TAXABLE HOUSING BONDS TO ABODE COMMUNITIES AND APPROVING
FUNDING ALLOCATION AND SUPPORT FOR APPLICATION FOR LOW-INCOME
HOUSING TAX CREDITS TO THE CALIFORNIA TAX CREDIT ALLOCATION
COMMITTEE FOR THE VILLA VERDE HOUSING PROJECT LOCATED IN THE
CITY OF COACHELLA**

WHEREAS, on February 1, 2012, pursuant to ABx1 26, all California Redevelopment Agencies were eliminated and the Housing Authority of the County of Riverside, a public entity corporate and politic ("HACR"), assumed the housing functions of the former Redevelopment Agency for the City of Coachella ("Coachella RDA");

WHEREAS, subsequently on September 22, 2015, State budget trailer bill SB107 passed which made amendments to the existing dissolution law as defined in ABx1 26. Under the prior dissolution law, only housing bond proceeds from bonds issued prior to January 1, 2011, that were issued for affordable housing purposes and secured by a pledge of low- and moderate-income housing funds, remaining after satisfaction of enforceable obligations approved on a Recognized Payment Obligation Schedule, were considered housing assets and were allowed to be expended. SB 107 changed the date by which the applicable housing bonds must have been issued from January 1, 2011, to June 28, 2011;

WHEREAS, HACR has unused housing bond proceeds issued prior to June 28, 2011, derived from former Coachella RDA using Taxable Housing Bonds (ROPS lines 26, 31, 32, and 34);

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

WHEREAS, Abode Communities, a California nonprofit public benefit corporation and an affordable housing developer ("Developer"), proposes to develop and construct a multi-

RESOLUTION NUMBER 2025-001
Villa Verde Affordable Housing Project

1 family affordable rental housing project, Villa Verde, for low-income family households
2 consisting of one hundred fifty (150) affordable rental units and two (2) residential manager's
3 units ("Project") on approximately 9.25 acres of vacant land located at the northeast corner of
4 84824 Calle Verde, in the City of Coachella, County of Riverside, State of California, more
5 specifically identified as Assessor's Parcel Numbers 768-350-002 and 768-400-001 ("Property");

6 **WHEREAS**, HACR and Villa Verde I, L.P. entered into that certain Disposition,
7 Development and Loan Agreement for the Sale and Development of the Property for Affordable
8 Housing Purposes ("DDLA"), dated February 2, 2021 and recorded on February 18, 2021 as
9 Instrument No. 2021-0105966 in the Official Records of County of Riverside's Recorder's
10 Office ("Official Records");

11 **WHEREAS**, the Developer has submitted an application to HACR requesting financial
12 assistance in the amount of \$2,104,640.22 in taxable bond proceeds to fill an existing
13 \$2,104,640.22 Project financing gap;

14 **WHEREAS**, the California Tax Credit Allocation Committee ("TCAC"), through its
15 application process, allocates low-income housing tax credits to eligible affordable housing
16 projects to raise project equity through the sale of tax benefits to investors;

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

20 **WHEREAS**, the application deadline to be considered for a 2025 allocation of tax credits
21 through TCAC is March 18, 2025;

22 **WHEREAS**, to complete the TCAC application process, the Developer must provide a
23 resolution from the local jurisdictions, including the HACR, supporting the Project;

24 **WHEREAS**, the Developer has successfully completed several affordable housing
25 developments in California;

26 **WHEREAS**, the HACR desires to approve an allocation of funding in the approximate
27 amount of \$2,104,640.22 derived from former Coachella RDA using Taxable Housing Bonds
28 (ROPS lines 26, 31, 32, and 34), to be used to pay a portion of the costs to develop and construct

1 the Project on the Property, subject to the Developer's satisfaction of certain conditions
2 precedent for the benefit of HACR; and

3 **WHEREAS**, HACR desires to support the Developer's application to TCAC for an
4 allocation of low-income housing tax credits.

5 **NOW THEREFORE, BE IT RESOLVED, FOUND, DETERMINED AND**
6 **ORDERED** by the Board of Commissioners for Housing Authority of the County of Riverside
7 ("Board of Commissioners"), in regular session assembled on February 25, 2025, at 9:30 am, in
8 the meeting room of the Board of Commissioners located on the 1st floor of the County
9 Administrative Center, 4080 Lemon Street, Riverside, California, as follows:

- 10 1) That the Board of Commissioners hereby finds and declares that the above recitals are
11 true and correct and incorporated as though set forth herein.
- 12 2) That the Board of Commissioners hereby rescinds Resolution No. 2024-001.
- 13 3) The Board of Commissioners supports the Developer's application to TCAC for an
14 allocation of low-income housing tax credits, the sale proceeds of which will be used to
15 finance the development and construction of a multi-family affordable rental housing
16 project consisting of one hundred fifty (150) affordable rental units and two (2)
17 residential manager's unit, on real property located on approximately 9.25 acres of
18 vacant land located at the northeast corner of 84824 Calle Verde, in the City of
19 Coachella, County of Riverside, State of California, more specifically identified as
20 Assessor's Parcel Numbers 768-350-002 and 768-400-001.
- 21 4) Subject to any restriction on the use of taxable bond proceeds, the Board of
22 Commissioners agrees to provide financial assistance to the Developer in the maximum
23 amount of \$2,104,640.22 derived from former Coachella RDA using Taxable Housing
24 Bonds (ROPS lines 26, 31, 32, and 34) ("Taxable Bond Loan"), for construction of
25 eligible activities on the Project, subject to the satisfaction of the following conditions
26 precedent:
 - 27 a. Borrower: a to-be-formed limited partnership in which Abode Communities,
28 registered to do business in the State of California or a single purpose entity

1 affiliate of Abode Communities, is a general partner, formed for developing,
2 constructing, and owning the Project for the specific purpose of selling tax credits
3 and developing, constructing, and owning the Project;

- 4 b. Project Name shall be Villa Verde Apartments;
- 5 c. Taxable Bond Loan Amount: Not to exceed Two Million One Hundred Four
6 Thousand Six Hundred Forty Dollars and Twenty-Two Cents (\$2,104,640.22);
- 7 d. Interest: Three percent (3%) simple interest;
- 8 e. Affordability Period: 55 years from recordation of the Notice of Completion in
9 the official records of the County of Riverside;
- 10 f. Taxable Bond Loan Term: 55 years;
- 11 g. Repayment: Loan payments derived from the Project's residual receipts;
- 12 h. Entitlements and Governmental Approvals: Secure any and all required land use
13 entitlements, permits, and approvals which may be required for construction of
14 the Project, including, but not limited to compliance with the California
15 Environmental Quality Act and the National Environmental Policy Act;
- 16 i. Other Financing: the Taxable Bond Loan is expressly conditioned upon the
17 Developer's ability to secure sufficient equity capital or firm and binding
18 commitments for financing necessary to undertake the development and
19 construction of the Project. All financing contemplated or projected with respect
20 to the Project shall be, or have been, approved in form and substance by the Board
21 of Commissioners. Other financing sources for the Project are anticipated to
22 include \$1,411,842 in land contribution from HACR, \$450,000 predevelopment
23 loan from the HACR, \$35,725,518 in tax credit equity, \$6,115,251.78 loan from
24 the County in PLHA Funds, \$16,938,000 tax-exempt permanent loan from
25 California Community Reinvestment Corporation, \$476,158 in deferred interests,
26 \$8,305,195 in deferred Developer fee, \$11,279,429 National Housing Trust Fund
27 ("NHTF") loan from the California Department of Housing and Community
28 Development ("HCD"), \$11,274,429 No Place Like Home ("NPLH") funds from

1 HCD, and eighty-seven (87) project-based vouchers from HACR. The projected
2 total cost of development during the permanent financing period is approximately
3 \$82,806,134;

4 j. Monitoring Fee: Payment of annual Compliance Monitoring Fee to the County in
5 the amount of \$8,100. Monitoring fee to be adjusted annually, not to exceed the
6 increase in the Consumer Price Index ("CPI"); and

7 k. Successful negotiation of a Loan Agreement, approved as to form by County
8 Counsel and approved by the Board of Commissioners and executed by all
9 required parties.

10 5) The Board of Commissioners' allocation to negotiate the Taxable Bond Loan, subject to
11 the satisfaction of the conditions precedent set forth herein, is valid until December 31,
12 2025, and shall thereafter have no force or effect, unless a Loan Agreement has been
13 approved and executed by the Board of Commissioners and the Developer, with respect
14 to the Project.

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17 //

18 // ROLL CALL:

19 // Ayes: Medina, Spiegel, Washington, Perez, and Gutierrez

20 // Nays: None

21 Absent: None

22
23 The foregoing is certified to be a true copy of a resolution duly adopted by said
24 Board of Supervisors on the date therein set forth.

25 KIMBERLY A. RECTOR, Clerk of said Board

26 By: 
27 Deputy

28
RESOLUTION NUMBER 2025-001
Villa Verde Affordable Housing Project