

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



ITEM: 3.19  
(ID # 27161)

**MEETING DATE:**  
Tuesday, March 11, 2025

**FROM :** HOUSING AND WORKFORCE SOLUTIONS

**SUBJECT:** HOUSING AND WORKFORCE SOLUTIONS (HWS): Adopt Resolution No. 2025-058, Approving Funding Allocation of Neighborhood Stabilization Program for the Viscar Terrace Housing Project Located in the City of Murrieta; District 3. [\$2,685,744 - 100% Neighborhood Stabilization Program (NSP) Funds]

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

1. Adopt Resolution No. 2025-058, Approving Funding Allocation of Neighborhood Stabilization Program for the Viscar Terrace Housing Project Located in the City of Murrieta; and
2. Approve up to \$2,685,744 from Neighborhood Stabilization Program funds to Viscar Terrace L.P. for the Viscar Terrace Housing Project in the City of Murrieta, subject to the conditions set forth in Resolution No. 2025-058.

**ACTION:**Policy

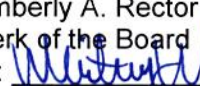
  
Heidi Marshall, Director 2/24/2025

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Gutierrez, seconded by Supervisor Spiegel 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: March 11, 2025  
xc: HWS

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

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

<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>	\$2,685,744	\$ 0	\$2,685,744	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> Neighborhood Stabilization Program (NSP) Funds (100%)			<b>Budget Adjustment:</b> No	
			<b>For Fiscal Year:</b> 24/25	

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

**BACKGROUND:**

**Summary**

The Neighborhood Stabilization Program (NSP), which was enacted under Title III of Division B of the Housing and Economic Recovery Act of 2008 (HERA) and appropriated under Community Development Block Grant (CDBG), was created under the heading of Emergency Assistance for Redevelopment of Abandoned and Foreclosed Homes for the purpose of assisting in the redevelopment of abandoned or foreclosed homes. The American Recovery and Reinvestment Act of 2009 (ARRA) provided a second round of NSP funds (NSP2). On October 19, 2010, a third round of NSP funding, NSP3, provided an additional allocation of funds under Section 1497 of the Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank Act").

The County of Riverside (County) qualified as an "Urban County" for purposes of receiving CDBG funds, including NSP, NSP2 and NSP3 funds, which are to be used to assist and undertake essential community redevelopment and housing assistance activities pursuant to HERA, ARRA and the Dodd-Frank Act. On April 25, 2009, the County received \$48,567,786 in NSP funds (NSP1 funds) (B-08-UN-06-0504) and received an additional allocation of \$14,272,400 in NSP3 funds in 2011, for a total of \$62,840,186.

Viscar Terrace LP, California limited partnership (Developer), has applied to the County of Riverside (County) for NSP funding in the approximate amount of \$2,800,000 to pay a portion of the costs to develop and construct Viscar Terrace Apartments, an affordable multifamily low-income housing project (Proposed Project). The NSP funding is needed to fill an existing Proposed Project financing gap in the amount of \$4,572,426. The Developer shall assume responsibility for procuring the outstanding balance necessary to address the Proposed Project's financing gap. The County's NSP funding coupled with the Proposed Project's existing commitment of sixty-eight (68) Housing Choice Voucher Program (HCVP) Project-Based Vouchers (PBVs) will bolster the Proposed Project competitiveness to obtain the necessary funding commitments to close the financing gap.

The Proposed Project will be developed on approximately 5.74 acres located at three adjacent parcels at 40475 Vista Murrieta and 40600 Myers Lane, in the City of Murrieta, also identified as

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STATE OF CALIFORNIA**

Assessor's Parcel Numbers 949-180-023, 949-180-025, and 949-180-022 (Property). The Proposed Project will consist of one hundred seventy (170) affordable rental units and two (2) manager units. A total of sixty-eight (68) units will be reserved as NSP1 and NSP3 assisted units restricted to households whose incomes do not exceed 50% of the Riverside County Area Median Income (NSP-Assisted Units).

The attached proposed Resolution No. 2025-058 provides Board support for the Proposed Project and recommends an allocation of up to \$2,685,744 in NSP funds (\$239,167 in NSP1 funds and \$2,446,577 in NSP3 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 NSP funds be valid until December 31, 2025.

The attached proposed Resolution 2025-058 allocates up to \$2,685,744 in NSP funds to the Proposed Project, subject to Developer's satisfaction of the conditions specifically set forth in the attached Resolution 2025-058, 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) and National Environmental Policy Act;
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 NSP Program approved by the Board of Supervisors and approved as to form by County Counsel.

Staff recommends that the Board adopt Resolution No. 2025-058. County Counsel has reviewed and approved the attached Resolution No. 2025-058 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.

**Additional Fiscal Information**

No impact upon the County's General Fund; the County's contribution will be fully funded with Neighborhood Stabilization Program (NSP) funds.

**Attachment**

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

- Resolution No. 2025-058

  
Brianna Lontajo, Principal Management Analyst 3/4/2025

  
Aaron Gettis, Chief of Deputy County Counsel 2/24/2025



**BOARD OF SUPERVISORS**

**COUNTY OF RIVERSIDE**

**RESOLUTION NO. 2025-058  
APPROVING FUNDING ALLOCATION OF NEIGHBORHOOD STABILIZATION  
PROGRAM FUNDS FOR THE VISCAR TERRACE APARTMENTS PROJECT  
LOCATED IN THE CITY OF MURRIETA**

**WHEREAS**, the Neighborhood Stabilization Program ("NSP"), which was enacted under Title III of Division B of the Housing and Economic Recovery Act of 2008 ("HERA") and appropriated under Community Development Block Grant ("CDBG"), was created under the heading of Emergency Assistance for Redevelopment of Abandoned and Foreclosed Homes for the purpose of assisting in the redevelopment of abandoned or foreclosed homes. The American Recovery and Reinvestment Act of 2009 ("ARRA") provided a second round of NSP funds ("NSP2"). On October 19, 2010, a third round of NSP funding, NSP3, provided an additional allocation of funds under Section 1497 of the Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank Act"); and

**WHEREAS**, the COUNTY OF RIVERSIDE, a political subdivision of the State of California ("County"), has qualified as an "Urban County" for purposes of receiving CDBG funds, including NSP, NSP2 and NSP3 funds, which are to be used to assist and undertake essential community redevelopment and housing assistance activities pursuant to HERA, ARRA and the Dodd-Frank Act; and

**WHEREAS**, NSP, NSP2 and NSP3 (collectively, "NSP") were designed to stabilize neighborhoods in areas with greatest need and stem the decline of house values of neighboring homes; and

**WHEREAS**, on April 25, 2009, the County received \$48,567,786.00 in NSP funds (or "NSP1 funds") (B-08-UN-06-0504), and received an additional allocation of \$14,272,400.00 ("NSP3 funds") in 2011; and

**WHEREAS**, pursuant to HERA §2301(c)(3)(E), new construction of housing and building infrastructure for housing is an eligible use of NSP1 and NSP3 funds; and

**WHEREAS**, Viscar Terrace LP, a California limited partnership ("Developer"), proposes to develop and construct a 172-unit multi-family affordable rental housing project,

RESOLUTION NUMBER NO. 2025-058  
Viscar Terrace Apartments

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FORM APPROVED COUNTY COUNSEL  
BY: AMR/ADHILLON  
DATE: 2/24/2025

1 Viscar Terrace Apartments, for low-income family households consisting of 170 affordable  
2 rental units and 2 manager units ("Project") on approximately 5.74 acres located at three adjacent  
3 parcels at 40475 Vista Murrieta and 40600 Myers Lane, in the City of Murrieta, also identified as  
4 Assessor's Parcel Numbers 949-180-023, 949-180-025, and 949-180-022 ("Property"); and

5 **WHEREAS**, a total of sixty-eight (68) units will be reserved as NSP-assisted units  
6 restricted to households whose incomes do not exceed 50% of the Riverside County Area  
7 Median Income ("NSP-Assisted Units"); and

8 **WHEREAS**, Developer submitted an application to County requesting financial  
9 assistance in the amount of \$2,800,000 in NSP funds ("County Allocation"). The County  
10 Allocation is needed to fill an existing Project financing gap in the amount of \$4,572,426. The  
11 Developer shall assume responsibility for procuring the outstanding balance necessary to address  
12 the Project financing gap;

13 **WHEREAS**, the County desires to approve \$239,167 from NSP1 funds and \$2,446,577  
14 from NSP3 funds, for a total funding allocation of \$2,685,744 in NSP funds to be used to pay a  
15 portion of the costs to develop and construct the Project on the Property, subject to Developer's  
16 satisfaction of certain conditions precedent for the benefit of the County.

17 **NOW THEREFORE, BE IT RESOLVED, FOUND, DETERMINED AND**  
18 **ORDERED** by the Board of Supervisors of the County of Riverside ("Board"), in regular  
19 session assembled on March 11, 2025 at 9:30 am, in the meeting room of the Board of  
20 Supervisors located on the 1st floor of the County Administrative Center, 4080 Lemon Street,  
21 Riverside, California, as follows:

- 22 1) That the Board hereby finds and declares that the above recitals are true and correct and  
23 incorporated as though set forth herein.
- 24 2) Subject to any restrictions on the use NSP funds, the Board agrees to provide financial  
25 assistance to the Developer in the maximum amount of \$2,685,744 of NSP funds  
26 (\$239,167 NSP1 funds and \$2,446,577 NSP3 funds), for construction of eligible NSP  
27 activities on the Project, subject to the satisfaction of the following conditions precedent:  
28



- 1 a. Borrower shall be Viscar Terrace LP, a California limited partnership collectively  
2 managed by Rio Hondo Community Development Corporation, a California  
3 public benefit corporation as its Managing General Partner, and Viscar Terrace  
4 LLC, a California limited liability company as its Administrative General Partner.  
5 Whereas TEREDS LLC, is the member and manager of Viscar Terrace LLC;
- 6 b. Project Name shall be Viscar Terrace Apartments;
- 7 c. NSP Loan Amount shall not to exceed Two Million Six Hundred Eighty-Five  
8 Thousand Seven Hundred Forty-Four Dollars (\$2,685,744);
- 9 d. Interest shall be three percent (3%) simple interest;
- 10 e. Affordability Period: 55 years from recordation of the Notice of Completion in  
11 the official records of the County of Riverside, subject to an affordability  
12 covenant agreement recorded in a senior lien priority position to all monetary  
13 deeds of trust;
- 14 f. NSP Loan Term shall be 55 years;
- 15 g. Repayment shall be from loan payments derived from the Project's residual  
16 receipts;
- 17 h. Entitlements and Governmental Approvals: Secure any and all required land use  
18 entitlements, permits and approvals which may be required for construction of the  
19 Project, including but not limited to, compliance with the California  
20 Environmental Quality Act and the National Environmental Policy Act;
- 21 i. Other Financing: The NSP Loan is expressly conditioned upon the Developer's  
22 ability to secure sufficient equity capital or firm and binding commitments for  
23 financing necessary to undertake the development and construction of the Project.  
24 All financing contemplated or projected with respect to the Project shall be, or  
25 have been, approved in form and substance by the Board. Other financing sources  
26 for the Project are anticipated to include \$27,571,046 from Citibank, \$1,410,957  
27 from Net Operating Income, \$10,407,251 from Deferred Developer Fee, and  
28

1 \$63,381,161 in Tax Credit Equity. The total cost of development during the  
2 permanent financing period is approximately \$105,570,415;

3 j. Monitoring Fee: Payment of annual compliance monitoring fee to the County in  
4 the amount of \$17,200. Monitoring fee to be adjusted annually, not to exceed an  
5 increase in the Consumer Price Index ("CPI"); and

6 k. Successful negotiation of loan agreements evidencing the loan of the NSP funds  
7 in the amounts approved herein, approved as to form by County Counsel,  
8 approved by the Board and executed by all required parties.

9 3) The Board's commitment to provide the NSP Loan is subject to the satisfaction of the  
10 conditions precedent set forth herein, is valid until December 31, 2025, and shall  
11 thereafter have no force or effect, unless a NSP Loan agreement related to the financing  
12 of the Project (approved as to form by County Counsel) has been approved and executed  
13 by the Board and the Developer.

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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

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RESOLUTION NUMBER NO. 2025-058  
Viscar Terrace Apartments