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



ITEM: 13.2 (ID # 27760)

MEETING DATE:

Tuesday, May 20, 2025

FROM:

HOUSING AUTHORITY

SUBJECT: HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE (HACR): Adoption of Resolution No. 2025-004, A Resolution of the Housing Authority of the County of Riverside Finding and Declaring that Certain Real Property Located in the City of Indio, County of Riverside, State of California, Identified as APN 608-080-032 is "Exempt Surplus Land" Under the Surplus Land Act; District 4. [\$0]

RECOMMENDED MOTION: That the Board of Commissioners:

 Adopt Resolution No. 2025-004, A Resolution of the Housing Authority of the County of Riverside Finding and Declaring that Certain Real Property Located in the City of Indio, County of Riverside, State of California, identified as APN 608-080-032 is "Exempt Surplus Land" Under the Surplus Land Act.

ACTION:Policy

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:

Medina, Spiegel, Washington, Perez and Gutierrez

Nays:

None

Absent: Date:

None

XC:

May 20, 2025

XC.

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	To	otal Cost:	Ongo	Ongoing Cost	
COST	\$0	\$ 0		\$0		\$ 0	
NET COUNTY COST	\$0	\$ 0		\$0		\$ 0	
SOURCE OF FUNDS: N/A				Budget Adjustment: No			
				For Fiscal Y	'ear:	24/25	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

Pursuant to Government Code Section 54222.3, the Housing Authority of the County of Riverside (HACR) may declare HACR owned land exempt from the Surplus Land Act if Project meets exemption criteria outlined in the Government Code Section 54221(b)(4). In order to meet exemption criteria a project must be used as affordable housing, restrict 100 percent of the units for low-income or moderate-income individuals and families, with at least 75 percent of the units restricted to individuals or families that qualify as lower-income households, remain affordable for a minimum of 55 years, benefit the community, and meet other additional requirements. Through this action, the HACR seeks to declare HACR owned land located at Fred Waring and Hoover Street in the City of Indio, County Assessor's Parcel Number 608-080-032 as exempt surplus land from the Surplus Land Act.

HACR staff issued Request for Qualifications No. 2021-301 for a collaborative developer partner to develop affordable housing on the Property. Ten proposals were received and after thorough review of all proposals, HACR staff selected Abode Communities, a California nonprofit public benefit corporation (Abode), as its collaborative developer partner. The selection was due to, among other things, Abode's extensive experience in the development of affordable housing, sustained history of leveraging multiple funding sources, and excellent reference. The HACR owned parcel currently is vacant and adjacent to the County of Riverside Workforce Development Center.

The project (Proposed Project) is slated to consist of approximately 176 affordable rental housing units consisting of 52 one-bedroom units, 80 two-bedroom units, and 44 three-bedroom units (two units will be set-aside for on-site managers); a community-serving commercial building of approximately 10,000 square feet; a resident center with outdoor pool and play area, and related infrastructure such as public improvements and other utilities (collectively defined herein as the Project). The Project will provide affordable housing to persons and families at the low and very low-income levels.

Staff recommends the adoption of Resolution No. 2025-004 to declare the Property exempt surplus land. Resolution No. 2025-004 has been reviewed and approved by County Counsel as to legal form.

Impact on Citizens and Businesses

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The potential development of 176 units will have a positive impact on the residents in the County of Riverside as it will create much needed affordable housing in the Coachella Valley as well as create construction, maintenance and property management jobs.

SUPPLEMENTAL:

Additional Fiscal Information

No general funds will be used for the declaration. Abode will bear its own costs and expenses incurred in connection with the negotiating and preparing in good faith of a possible Disposition and Development Agreement and/or Ground Lease for the Indio Apartments Affordable Housing Project.

ATTACHMENT

Resolution No. 2025-004

Briannia Lontajo, Principal Manage nent Analyst 5/13/2025

Aaron Gettis. Chief of Deputy County Counsel 5/9/2025

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PROVED COUNTY COUNSEL 15 ≥ 16

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RESOLUTION NO. 2025-004

A RESOLUTION OF THE HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE FINDING AND DECLARING THAT CERTAIN REAL PROPERTY LOCATED IN THE CITY OF INDIO, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, IDENTIFIED AS APN 608-080-032 IS "EXEMPT SURPLUS LAND" **UNDER THE SURPLUS LAND ACT**

WHEREAS, the California Surplus Land Act ((Assembly Bill ("AB") 1486 (Statutes of 2019, Chapter 664) and AB 1255 (Statutes of 2019, Chapter 661) ("SLA")) requires that before a Local Agency, including a housing authority, takes any action to sell or lease surplus property, it must declare the property to be either "surplus land" or "exempt surplus land";

WHEREAS, "surplus land" means land owned in fee simple for which a local agency's governing body takes formal action at a regular public meeting declaring that such land is surplus and is not necessary for the agency's use;

WHEREAS, unless the surplus land is exempt, the agency must give written notice of its availability to any local public entity, including schools and park districts, within whose jurisdiction the property is located, as well as to housing sponsors that have notified the State Department of Housing and Community Development ("HCD") of their interest in surplus properties and imposes a mandatory negotiation process giving first priority to affordable housing development;

WHEREAS, the SLA exempts certain properties, "exempt surplus lands," from the mandatory notification and negotiation procedures, including, without limitation, certain properties conveyed for affordable housing developments purposes;

WHEREAS, the Housing Authority of the County of Riverside, a public body corporate and politic ("HACR"), is a housing authority duly created, established, and authorized to transact business and exercise its power, 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, the "Housing Authorities Law");

WHEREAS, pursuant to applicable provisions of the Housing Authorities Law,

THE HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE RESOLUTION NO. 2025-004 PAGE 1 of 5

notwithstanding any other provision of law, whenever the Board of Commissioners determines that any real property owned by the HACR can be used to provide housing affordable to low income families or the proceeds of a disposition of real property are used directly to assist housing for very low income families, the HACR may sell, convey or otherwise dispose of the real property to provide that affordable housing without complying with other provisions of Title 3, Division 2, Part 2, Chapter 5, Article 8 of the California Government Code;

WHEREAS, HACR is the legal owner of record of approximately 8.70 acres of real property in the City of Indio, located at Fred Waring Drive and Hoover Avenue, specifically referred to as Assessor's Parcel Number ("APN") Number 608-080-032, as further described on the attached Exhibit "A" (collectively, the "Property");

WHEREAS, HACR solicited developers in a competitive process, through Request for Qualifications No. 2021-301 ("RFQ"), issued on July of 2021, in which ten (10) responses to RFQ were received and reviewed by a scoring committee, followed by a presentation by a final group of three (3) developers chosen for consideration. Abode Communities, a California nonprofit public benefit corporation ("Abode"), was selected because of their experience obtaining financing and constructing affordable housing projects in a timely manner;

WHEREAS, pursuant to Abode's successful proposal, HACR and Abode entered into that certain Exclusive Negotiation Agreement dated August 22, 2023 and continuing until August 31, 2024, for purposes of facilitating a proposed affordable housing development project with Abode, an amendment extending the term was signed on September 1, 2024 continuing until August 31, 2025;

WHEREAS, the proposed affordable housing development project, known as "Sonora Homes", will result in the development and construction of approximately 176 affordable housing units consisting of 52 one-bedroom units, 80 two-bedroom units, and 44 three-bedroom units, two will be set aside for on-site managers ("Project"). A minimum of 100% of the housing units developed and operated shall be rented and occupied by low-income households earning 80% or less of the area median income, thus addressing the pressing need for affordable housing in the County of Riverside; and

WHEREAS, the Property qualifies for an exemption from the SLA because the proposed Project meets the exemption criteria outlined in the Government Code Section 54221(f)(1)(F) as set forth below.

NOW, THEREFORE, BE IT RESOLVED, FOUND, DETERMINED, AND ORDERED, by the Board of Commissioners of the County of Riverside, State of California, ("Board") in regular session assembled on May 20, 2025, in the meeting room of the Board located on the 1st floor of the County Administrative Center, 4080 Lemon Street, Riverside, California, that this Board does hereby determine and declare as follows:

- 1. <u>Incorporation of Findings</u>. The Housing Authority of the County of Riverside hereby incorporates by this reference the recitals set forth above as true and correct.
- Declaration of Exemption (Surplus Land Act). The Board finds and determines that the Property is "exempt surplus land" under the SLA because it meets the exemption criteria contained in Government Code Section 54221(f)(1)(F) and the Updated Surplus Lands Act Guidelines ("Guidelines") Section 103(c)(7)(A), contingent on HCD's 30-day review and approval of this Resolution, as follows:
 - a. Affordable Housing: The Project restricts 100% of its residential units to persons and families of low or moderate income. At least 75% of the units (i.e., 132 out of 176 total units) will be reserved for lower-income households, as defined by Section 102(a) of the Guidelines issued by the California Housing and Community Development Department ("HCD") on August 1, 2024 ("Guidelines"), thereby satisfying the exemption requirement. This restriction will be legally enforced through covenants recorded against the property at the time of sale or ground lease that shall run with the land and be enforceable against any owner who violates the covenants and each successor in interest who continues the violation, ensuring long-term affordability.
 - b. Rent Levels: The proposed rent levels for the restricted units will not exceed 80% of the area median income for the County of Riverside. HACR staff used recent data on area median income rents within the County to calculate the appropriate rent levels for the restricted units, in compliance with the requirements of Section 102(a) of the Guidelines. These affordability requirements will be documented in a recorded covenant or restriction that will run with the land and will be enforceable against any future owner or successor in interest who violates the terms of the covenant.

- c. <u>Long-term Affordability</u>: The Project will maintain its affordability restrictions for a period of no less than 55 years. This long-term affordability will ensure that low-income individuals in the County of Riverside have access to affordable housing options for the foreseeable future, aligning with both HACR's mission and state housing objectives.
- d. <u>Community Benefits</u>: Sonora Homes will offer significant benefits to its residents, including accessibility to an approximately 10,000 square foot community serving commercial building with resident center, childcare center, outdoor pool and play area. Additionally, the Project will include resident services programs focused on further enhancing the quality of life for the residents.
- 3. Additional Required Findings: Pursuant to Government Code Section 54221(f)(2) and Section 103(d) of the Guidelines, the Board finds that a notice of availability of surplus lands for open-space purposes is not required to be sent to the entities described in Government Code Section 54222(b) because the Property is:
 - a. not located within a coastal zone;
 - b. not adjacent to a historical unit of the State Parks System;
 - c. not listed on, or determined by the State Office of Historic Preservation to be eligible for listing on, the National Register of Historic Places; and
 - d. is not located within the Lake Tahoe region as defined in Government Code Section 66905.5.
- 4. Based on the findings above, the Housing Authority of the County of Riverside finds and concludes that the Property constitutes exempt surplus land for the purposes of Government Code Section 54221. The proposed development is an affordable housing project with appropriate affordability restrictions, and it meets the statutory requirements for surplus land exemption. Consequently, the Housing Authority of the County of Riverside finds and declares the Property exempt surplus land to facilitate the development of affordable housing on the site.

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Board of Supervisors

COUNTY OF RIVERSIDE

RESOLUTION NO. 2025-004

A RESOLUTION OF THE HOUSING AUTHORITY OF THE COUNTY OF RIVERSIDE FINDING AND DECLARING THAT CERTAIN REAL PROPERTY LOCATED IN THE CITY OF INDIO, COUNTY OF RIVERSIDE, STATE OF CALIFIRNIA, IDENTIFIED AS APN 608-080-032 IS "EXEMPT SURPLUS LAND" UNDER THE SURPLUS LANDS ACT

ROLL CALL:

Ayes:

Medina, Spiegel, Washington, 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

Deputy

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