

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



ITEM: 3.15
(ID # 29585)

MEETING DATE:
Tuesday, February 10, 2026


FROM : HOUSING AND WORKFORCE SOLUTIONS

SUBJECT: HOUSING AND WORKFORCE SOLUTIONS (HWS): Adopt Resolution No. 2026-021 Approving the County of Riverside's Revolving Loan Fund (RLF); Authorizing the Director of Housing and Workforce Solutions (HWS), or Designee, to Administer the RLF on Behalf of the County from Funding Derived from the Subregional Partnership (SRP) 2.0 Program Grant from the Southern California Association of Governments (SCAG). All Districts. [\$696,722 - 100% REAP 2.0 Funds]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Adopt Resolution No. 2026-021, Approving the County of Riverside's Revolving Loan Fund (RLF); Authorizing the Director of Housing and Workforce Solutions (HWS), or Designee, to Administer the RLF on Behalf of the County from Funding Derived from the Subregional Partnership (SRP) 2.0 Program Grant from the Southern California Association of Governments (SCAG);
2. Authorize the Director of HWS, or designee, to accept additional funds in the amount not to exceed \$200,000 from SCAG for the County of Riverside's RLF;
3. Approve the attached Revolving Loan Fund Guidelines (Guidelines) and Revolving Loan Fund Application (Application); and
4. Authorize the Director of HWS, or designee, to make administrative revisions and amendments to the Guidelines and Application, subject to approval as to form by County Counsel.

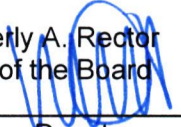
ACTION:Policy


Heidi Marshall, Director 1/26/2026

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Gutierrez 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 10, 2026
xc: HWS

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$696,722	\$ 0	\$ 696,722	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: 100% SCAG - Subregional Partnership (SRP) 2.0 Program Funds			Budget Adjustment: No	
			For Fiscal Year: 25/26	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On September 9, 2025 (Minute Order 3.13), the Board of Supervisors authorized the acceptance of the Program Award from the Southern California Association of Governments (SCAG), for the State of California Regional Early Action Planning Grant Program of 2021 (REAP 2.0) in an amount not to exceed \$696,722, to establish the County of Riverside (County) Revolving Loan Fund (RLF).

On October 8, 2025, SCAG and the County executed Memorandum of Understanding (MOU) No. M-010-26 for the County's REAP 2.0 Subregional Partnership Program (SRP) Grant, in an amount not to exceed \$696,722. The scope of work included establishing an RLF to seed a loan program aimed at preserving existing Polanco Parks, mobile home parks, and other affordable housing projects within infill areas of Riverside County.

The County RLF will function as seed capital that is repaid and reinvested over time to support future affordable housing projects. The long-term goal of the RLF is to establish a self-sustaining, continuously replenished financing source to advance affordable housing development throughout the County. The program will be administered by the Department of Housing and Workforce Solutions (HWS) and will provide low-interest loans to eligible developers to improve project feasibility and strengthen their ability to secure construction and permanent financing.

Eligible uses include the construction, acquisition, and rehabilitation of affordable housing units within County boundaries serving households earning up to 80 percent of the Area Median Income (AMI). Eligible project types include new construction of affordable mobile home communities (small or large), multifamily rental housing, and homeless or transitional rental housing, as well as the acquisition and rehabilitation of affordable rental housing. Applications will be accepted on a rolling basis.

The attached proposed Resolution No. 2026-021 approves the RLF. The RLF shall be encumbered and expended in accordance with all applicable SCAG regulations, subject to the Developer's satisfaction of the conditions set forth in the attached RLF Guidelines and Application, including, but not limited to, the following:

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

1. Securing all required land use entitlements, permits, and approvals necessary for the development and construction of the Proposed Project, including compliance with the California Environmental Quality Act (CEQA);
2. Obtaining sufficient equity capital and/or firm and binding commitments for construction and permanent financing necessary to complete the Proposed Project; and
3. Successful negotiation and execution of a Loan Agreement that requires compliance with the RLF, as approved by the Board of Supervisors and approved as to form by County Counsel.

Staff recommends that the Board adopt Resolution No. 2026-021, and approve the RLF Guidelines and Application.

Impact on Residents and Businesses

The RLF will allow the County to support the development, acquisition, and rehabilitation of affordable housing projects located in areas that meet the REAP 2.0 definition of infill in the County.

Additional Fiscal Information

No impact upon the County's General Fund; the County's program will be fully funded and allocated through SCAG's SRP 2.0 Program Funds.

ATTACHMENTS

- Resolution No. 2026-021
- County of Riverside Revolving Loan Fund Guidelines
- Revolving Loan Fund Application



Stacey Pena, EO Management Analyst 2/1/2026



Aaron Gettis, Chief Deputy County Counsel 1/29/2026

BOARD OF SUPERVISORS

COUNTY OF RIVERSIDE

RESOLUTION NO. 2026-021

**APPROVING THE COUNTY OF RIVERSIDE’S REVOLVING LOAN FUND (RLF);
AUTHORIZING THE DIRECTOR OF HOUSING AND WORKFORCE SOLUTIONS
(HWS), OR DESIGNEE, TO ADMINISTER THE RLF ON BEHALF OF THE COUNTY
FROM FUNDING DERIVED FROM THE SUBREGIONAL PARTNERSHIP (SRP) 2.0
PROGRAM GRANT FROM THE SOUTHERN CALIFORNIA ASSOCIATION OF
GOVERNMENTS (SCAG)**

WHEREAS, the Regional Early Action Planning Grants Program of 2021 (“REAP 2.0”) was established with a principal goal to make funding available to Metropolitan Planning Organizations (“MPO”) and other regional entities for transformative planning and implementation activities that meet housing and equity goals, reduce Vehicle Miles Traveled per capita, and advance implementation of the region’s Sustainable Communities Strategy or Alternative Planning Strategy, as applicable;

WHEREAS, the California Department of Housing and Community Development (“HCD”) administers REAP 2.0 in accordance with Health and Safety Code sections 50515.06 to 50515.10 (“Statutes”) and REAP 2.0 guidelines for MPO applicants released by HCD pursuant to the Statutes (“REAP 2.0 Guidelines”);

WHEREAS, HCD awarded funds to SCAG under REAP 2.0;

WHEREAS, SCAG released a Call for Applications for the SRP 2.0 Program, and the County of Riverside (“County”) submitted an application for a proposed Riverside County Revolving Loan Fund project (“County RLF”);

WHEREAS, on September 9, 2025 (Minute Order 3.13), the Board of Supervisors authorized the acceptance of the Program Award from the SCAG, for the State of California REAP 2.0 in an amount not to exceed \$696,722, to establish the County RLF;

WHEREAS, on October 8, 2025, SCAG and the County executed Memorandum of Understanding (MOU) No. M-010-26 for the County’s REAP 2.0 Subregional Partnership Program (SRP) Grant, in an amount not to exceed \$696,722 (“Funds”). The scope of work included establishing the County RLF to seed a loan program aimed at preserving existing Polanco Parks, mobile home parks, and other affordable housing projects within infill areas of Riverside County; and

FORM APPROVED COUNTY COUNSEL
BY KRISTINE BELL-VALDEZ DATE

1 **NOW THEREFORE, BE IT RESOLVED, FOUND, DETERMINED, AND**
2 **ORDERED** by the Board of Supervisors of the County of Riverside (“Board”), in regular session
3 assembled on February 10, 2026, at 9:30 a.m., or soon thereafter, in the meeting room of the
4 Board located on the 1st floor of the County Administrative Center, 4080 Lemon Street,
5 Riverside, California, that this Board does hereby determine and declare as follows:

- 6 1. That the above recitals are true and correct and incorporated as though set forth
7 herein.
- 8 2. County, in accordance with the MOU No. M-010-26 and the REAP 2.0 Guidelines,
9 hereby establishes the Riverside County Revolving Loan Fund (“RLF”) using REAP
10 2.0 Funds.
- 11 3. The RLF will offer short- or long-term loans to support project development and
12 financing.
- 13 4. Eligible uses of the Funds include, but are not limited to, the new construction of
14 affordable mobile home communities (of any size), multifamily rental housing, and
15 homeless or transitional rental housing; the acquisition and rehabilitation of affordable
16 rental housing; and the conversion of non-residential buildings into affordable rental
17 housing.
- 18 5. Each eligible program applicant may receive funds in the form of a loan, not to exceed
19 Seven Hundred Fifty Thousand Dollars (\$750,000) per project.
- 20 6. The Board authorizes the Director of HWS, or designee, to administer and implement
21 the County RLF on behalf of the County and to make administrative revisions and
22 amendments to the County RLF application and guidelines, subject to approval as to
23 form by County Counsel.
- 24 7. The Director of HWS, or designee, shall administer the Funds in compliance with the
25 County RLF objectives and guidelines, and all applicable State laws and regulations.
- 26 8. Subject to any restrictions on the use of Funds and applicable regulations, the Board
27 of Supervisors agrees to provide financial assistance to eligible applicants in an
28

1 amount not to exceed Seven Hundred Fifty Thousand Dollars (\$750,000) in Funds.
2 Such Funds shall be used solely for the proposed projects and eligible activities
3 described in the eligible applicant's application and in accordance with the applicable
4 County RLF Guidelines, subject to the satisfaction of the following conditions
5 precedent:

- 6 a. Loan Amounts shall not exceed Seven Hundred Fifty Thousand Dollars
7 (\$750,000) per project;
- 8 b. Interest shall be three percent (3%) simple interest;
- 9 c. Affordability Period shall be established in the loan agreement;
- 10 d. Loan Term shall be determined based on the loan type: 60 months for short-
11 term loans and 30 years for long-term loans, each with up to two 6-month
12 extension options;
- 13 e. Repayment shall be residual receipts, with the calculation methodology and
14 timing established in the loan agreement;
- 15 f. Entitlements and Governmental Approvals: Eligible applicants shall secure
16 any and all required land use entitlements, permits, and approvals necessary
17 for the proposed project, including, but not limited to, compliance with the
18 California Environmental Quality Act;
- 19 g. Other Financing: The Loan is expressly conditioned upon the eligible
20 applicant's ability to secure sufficient equity capital or firm and binding
21 commitments for financing necessary to undertake the development and
22 construction of the proposed project. All financing contemplated or projected
23 with respect to the proposed project shall be, or have been, approved in form
24 and substance by the Board of Supervisors; and
- 25 h. Successful negotiation of a loan agreement evidencing the loan of SCAG
26 REAP 2.0 Funds in the amount approved herein, approved as to form by
27 County Counsel, approved by the Board of Supervisors and executed by all
28 required parties.

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This Resolution shall take effect immediately upon its adoption.

2
3 RESOLUTION NO. 2026-021

4 APPROVING THE COUNTY OF RIVERSIDE'S REVOLVING LOAN FUND (RLF);
5 AUTHORIZING THE DIRECTOR OF HOUSING AND WORKFORCE SOLUTIONS
6 (HWS), OR DESIGNEE, TO ADMINISTER THE RLF ON BEHALF OF THE COUNTY
7 FROM FUNDING DERIVED FROM THE SUBREGIONAL PARTNERSHIP (SRP) 2.0
8 PROGRAM GRANT FROM THE SOUTHERN CALIFORNIA ASSOCIATION OF
9 GOVERNMENTS (SCAG)

10 ROLL CALL:

11 Ayes: Medina, Spiegel, Washington, Perez, and Gutierrez

12 Nays: None

13 Absent: None

14 Abstain: None

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

17
18 KIMBERLY A. RECTOR, Clerk of said Board

19
20 By:  _____

21 Deputy



HWS HOUSING AND
WORKFORCE
SOLUTIONS
ENGAGE. ENCOURAGE. EQUIP.

County of Riverside Revolving Loan Fund Guidelines



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I. INTRODUCTION AND BACKGROUND

Background

The County of Riverside (“County”) has been awarded \$696,722 in seed funding through the Subregional Partnership (“SRP”) 2.0 Program Grant from the Southern California Association of Governments (“SCAG”) to establish a Revolving Loan Fund (“RLF”) program. The RLF is intended to expand long-term affordable housing opportunities within the County. The program aims to accelerate the development and preservation of affordable housing by providing low-interest, short-term loans, long-term loans, as well as early-stage and gap financing. The fund is “revolving,” meaning that loan repayments are reinvested into future projects, creating a sustainable, ongoing source of financing for affordable housing. Additional funds may be added to the RLF as new grants are received, and loan repayments are made.

Program Purpose

In February 2026, the County established the RLF to provide financial assistance to preserve and increase affordable housing opportunities. The RLF is primarily designed to provide predevelopment funds to fill funding gaps and to provide predevelopment loans (i.e., early-stage loans that make it easier for affordable housing developers to overcome initial hurdles while they determine the details of a project and secure permanent financing). More specifically, loan funds can be used for land acquisition, predevelopment expenses, construction loans, bridge loans, acquisition and rehabilitation expenses, and mini permanent loans. Loans provided by the RLF will be structured as short-term or long-term, below-market loans to be repaid from construction or permanent financing. Once repaid, the loans and their accrued interest will revolve back into the RLF.

About the Guidelines

The Revolving Loan Fund Guidelines (“Guidelines”) provide potential Applicants with instructions for applying, explain how the County will evaluate applications, and ensure transparency in RLF operations. They cover threshold criteria, application and review procedures, potential funding priorities, underwriting standards, and general loan terms and conditions.

The proposed projects must meet five requirements to be considered eligible for funding (“Threshold Criteria”):

- Applicant qualifications
- Geographic eligibility
- Project eligibility
- Expenditure eligibility
- Affordability requirements

Applications that meet the threshold requirements will be evaluated and awarded funding on a first-come, first-served basis. The County reserves the right to prioritize select applications depending on one or multiple of the County’s funding priorities or preferences. In subsequent years, the County may adopt a ranking system.

These Guidelines should be interpreted in conjunction with applicable statutes and regulations governing

use of RLF funds; in the event of a conflict between these Guidelines and such statutes and regulations, the requirements of those statutes and regulations shall prevail.

II. THRESHOLD CRITERIA

Applicant Qualifications

- Faith-based and other community group
- For-profit affordable housing developers
- Nonprofit, private developers
- Other nonprofit organizations
- Public entities
- Social service agencies

RLF loans can be provided for projects led by any of the above entities or through partnerships involving two or more of these organizations.

Applicants must demonstrate the ability to successfully develop the proposed project, including experience in affordable housing or a development team with a proven track record. They must also show financial and legal capacity to undertake the project. Emerging developers or those without prior experience are encouraged to partner with experienced affordable housing developers. Developers should have prior ownership or operational experience within the County or in areas served by SCAG. Applicants may partner with an experienced affordable housing developer to meet eligibility requirements.

Geographic Eligibility

Projects must be located within infill areas of the County. Infill development is defined as an area that consists of unused or underutilized lands, is within existing development patterns, and is accessible to destinations and services by transit, walking, or bicycling. Infill shall be as defined under the State’s REAP 2.0 guidelines and any subsequent guidance from HCD to accelerate infill housing.

Infill Definition

“Infill”, for the purposes of the REAP 2.0 Program, means areas where all the following apply: (1) the area consists of unused or underutilized lands (2) within existing development patterns (3) that is or will be accessible to destinations and daily services by transit, walking, or bicycling and located in either:

- a. An urban center, urban corridor, or area with transit-supportive densities, or
- b. An established community that meets all the following criteria:
 - i. The area consists or previously consisted of qualified urban uses
 - ii. The area is predominantly surrounded (approximately 75 percent of the perimeter) by parcels that are developed or previously developed with qualified urban uses. In counting this, perimeters bordering navigable bodies of water and improved parks shall not be included, and
 - iii. No parcel within or adjoining the area is classified as agricultural or natural and working lands.

Additional guidance to help determine whether a project meets the infill definition can be found [here](#).

Project Eligibility

Housing types may include, but are not limited to, the following:

- New construction of affordable mobile home communities (small or large), multifamily rental housing, and homeless/transitional rental housing
- Acquisition and rehabilitation of affordable rental housing
- Conversion of non-residential buildings to affordable rental housing

Rehabilitation Requirements

Rehabilitation projects must carry a minimum contingency of 20% of hard costs at project application, which may be reduced to 15% at project loan closing as approved by the County. Rehabilitation must prioritize health and safety hazards, accessibility, and structural rehabilitation needs, including:

- Correction of health and safety hazards, immediate health deficiencies and/or code violations.
- Accessibility Improvements.
- Structural rehabilitation work such as roofing replacement, seismic strengthening, foundation, drainage, exterior wall restoration and painting, energy efficiency improvements, electrical and plumbing system improvements.
- Other rehabilitation scope of work is subject to approval.

Expenditure Eligibility

Short-Term Loans

The RLF may be used to issue short-term loans that shall be due and payable upon the earlier of conversion to construction/permanent financing or loan maturity, not to exceed 60 months. Loans may be extended by the County for up to two 6-month extension options or longer if approved by the County. When necessary, to meet the requirements for other project funding or to enhance project feasibility, the County may approve a different loan term. Requests for exceptions to loan terms must be identified at the time of application.

Long-Term Loans

The RLF may be used to issue long-term loans that shall remain outstanding through the development period and convert upon the closing of construction and/or permanent financing. Repayment terms, including maturity, shall be established at loan closing and are expected not to exceed 30-years, unless otherwise approved by the County. The County may, at its discretion, approve extensions of up to two six-month periods, or longer if necessary to accommodate permanent financing or enhance overall project feasibility. When required to meet the conditions of other project funding sources or to support project viability, the County may approve alternative loan terms. Any requests for deviations from standard loan terms must be clearly identified at the time of application.

RLF funds may be used for the following eligible purposes:

- Site acquisition and preparation
- Predevelopment expenses, including but not limited to:
 - Carrying charges and financing fees
 - Preliminary title reports
 - Architect design and engineering/soils work
 - Environmental analysis and reports

- Legal and financial consultants
- Planning and permitting fees
- Appraisal and market study costs
- Applicant and consultant fees to secure additional project financing
- Short-term construction loans
- Long-term construction loans

Funds **may not** be used for developer fees, agency operating expenses, support or social services, or development reserves.

Affordability and Regulatory Compliance Requirements

Eligible rental housing projects shall be limited to those that serve households with incomes up to 80% of Area Median Income (“AMI”), adjusted for household size. Income limits are set and periodically revised by the U.S. Department of Housing and Urban Development (“HUD”).

Eligible projects are not required to have all project details determined at the time of application, but Applicants should plan to initiate the development of a site or the redevelopment of a property within 1 year of receiving RLF funding and should plan for the following long-term affordability provisions and all relevant federal, state, and local laws, regulations, ordinances, and program guidelines, including but not limited to those governing land use, housing affordability, fair housing, environmental review, and funding source compliance:

- Rental housing shall be income and rent-restricted for not less than 55 years.
- Manufactured Housing and Tenant Protection Laws: For projects involving manufactured housing or mobilehome communities, Applicants must comply with the California Mobilehome Residency Law (California Civil Code Section 798 et seq.), the Mobilehome Parks Act, and any other applicable federal, state, or local tenant protection laws, including rent stabilization, relocation assistance, and just-cause eviction requirements, as applicable.

III. APPLICATION SUBMITTAL AND REVIEW PROCEDURES

The County will accept and approve RLF applications on a rolling basis until funding is exhausted. Applicants are encouraged to visit the County’s website for the latest information regarding available funds.

Development Application

Interested Applicants must submit a completed full application with supporting documents outlined in the Application.

The County will conduct an initial review of the Application’s threshold criteria. Applications deemed to have met initial threshold requirements shall be further analyzed and underwritten.

Application Review

In reviewing applications, the County shall consider the following factors, including but not limited to:

- Threshold Criteria
- Project budgets and financing
- Site control
- Development approvals
- Environmental assessment
- Sources of repayment
- Loan collateral
- Appraisals or indicators of value

The County recognizes that some of these factors may not be fully known at the time of the application, may consider these factors at their level of certainty, and will coordinate with the Applicant to achieve greater clarification as needed.

For more detailed information regarding evaluation criteria, please refer to the Underwriting Standards.

Decision-Making

Approval:

Projects that meet threshold criteria and demonstrate sufficient financial, legal, and operational capacity are recommended for approval. Approval may include conditions, such as additional documentation, partnerships, or phased funding.

Denial:

Applications may be denied if:

- Threshold criteria are not met
- Key financial, legal, or project feasibility concerns cannot be resolved
- Collateral or repayment sources are insufficient
- Environmental or regulatory issues pose significant risk

Notification

The County provides written notice to applicants regarding approval, or denial, including a summary of findings and, if applicable, steps to address deficiencies for reconsideration.

IV. FUNDING PRIORITIES

Applications that meet the Threshold Criteria will be evaluated and awarded funding on a first come, first served basis until current funding is exhausted. The County reserves the right to prioritize select applications depending on one or multiple of the County and Program funding priorities. In future rounds, the County may adopt ranking criteria based on these funding priorities, the Underwriting Criteria, or other factors.

County priorities include but are not limited to:

- Proposed development is located in the unincorporated County.
- Proposed development is located on County owned land.
- Proposed development is located on a housing site identified in County's Housing Element.

- The development creates or constructs new affordable units: New units may include new construction developments, rehabilitation of existing unrestricted housing that will be converted to affordable, or conversion of existing facilities to affordable housing units.
- Proposed development has site control and has begun the entitlement process (with a Pre-Application and/or Development Plan Permit) or has received entitlements (such as approval of a Development Plan Permit).
- Proposed development has City support letter or commitment of land, funding, or waivers.
- Proposed development has secured funding awards from State/Federal programs.
- Proposed development has evidence of entitlements. *If project is being approved through provisions of SB35, AB 2011, AB 2162, or if it is CEQA exempt please provide a letter of determination from the City that the project meets the requirements of such an exemption.*

V. UNDERWRITING CRITERIA AND GENERAL LOAN TERMS AND CONDITIONS

The general loan terms for RLF loans are outlined below. The County reserves the right to amend these terms on a project-by-project basis.

Loan Term

The RLF may be used to provide short- or long-term loans to support project development and financing. Loan terms shall be structured as follows.

Short-Term Loans: Loans are due and payable upon the earlier of: conversion to construction or permanent financing, or at loan maturity, not to exceed 60 months. The County may approve up to two six-month extensions, or longer if necessary to meet other project funding requirements or enhance project feasibility.

Long-Term Loans: Loans shall remain outstanding throughout the development period and may convert upon the closing of construction and/or permanent financing. Repayment terms, including maturity, shall be established at loan closing and are generally not to exceed 30 years, unless otherwise approved by the County. The County may approve extensions or alternative loan terms as necessary to accommodate permanent financing, meet funding requirements, or support project feasibility.

Exceptions: Any requests for deviations from standard loan terms must be clearly identified at the time of application. When necessary to meet the requirements for other project funding or to enhance project feasibility, the County may approve a different loan term.

Loan Amount

The maximum loan amount shall initially be set at \$750,000 per project.

Loan to Value Ratio

If requesting acquisition financing, the County will issue RLF loans of up to 100% of the appraised property value, plus predevelopment and/or site improvements costs. All budgeted expenses are subject

to review and approval by the County. The maximum allowable purchase price shall not exceed the appraised value as evidenced by an appraisal prepared by a California State Certified General Appraiser and approved by the County that is dated no more than 6 months prior to the date of the application. The appraisal may not determine property value based solely on sales of properties financed by public agencies.

Interest Rate

The interest rate shall be a fixed 3% simple.

Loan Repayment

Under some circumstances, the County may rely on a Loan Guaranty from an Applicant that can demonstrate significant financial strength in lieu of an identified take-out source.

Loan payments shall be made as follows:

- At the County's discretion, loans may include an option for repayment based on residual receipts. The terms and calculation methodology for residual receipt payments shall be established in the loan agreement.
- The Borrower may elect to prepay the loan or any part thereof prior to the end of the term. However, the Memorandum of Agreement or recorded Covenants shall remain in full force and effect for its term regardless of any prepayment.
- If the Borrower violates the terms of the Memorandum of Agreement or records the loan in default, the entire amount of unpaid principal plus accrued interest at the rate established at the time of closing shall be due.

Recording of Covenant

Long-term affordability or program covenants shall be recorded against the property and shall be **senior in priority to all monetary deeds of trust or other financing instruments**, unless otherwise approved in writing by the County. This priority ensures the County's rights to enforce affordability restrictions, repayment obligations, and other loan conditions take precedence over subordinate financing.

Developer Fees

Developer fees must comply with all applicable funding source limitations. **RLF dollars may not be used for developer fees.**

Predevelopment and Development Budgets

The County will evaluate the predevelopment and development budgets in comparison to construction cost estimates; costs for other, similar projects; costs for other projects with adjustments for differences; industry resources of building cost data; and other resources available to the County.

Cash Flow and Debt Coverage Ratio

The Applicant shall submit a 15 year cash flow. The cash flow should show a Year 1 debt service coverage

ratio of 1.15 or higher and positive net cash flow through at least Year 15.

Operating Expenses

Total operating expenses shall not be less than those specifically listed in CCR, Title 4, Section 10327, as minimum operating expenses unless the Applicant can provide sufficient evidence that lower expenses will be sufficient. Projects that will use tax credits must satisfy the operating cost minimums published by the California Tax Credit Allocation Committee (“TCAC”) for the County and the applicable project type and year. The County may require higher operating expenses where warranted by the experience of comparable properties and particular building characteristics, such as the nature of the tenant population or the level of rehabilitation. The County may approve total operating expenses that are less than those specified in Section 10327 if the project has an extraordinary design feature that results in a quantifiable operating cost savings or if the County determines that lesser total operating expenses are sufficient for the effective operation of the project.

Reserves

The development budget should include the following reserves, to be funded in the permanent financing phase and/or from operating income.

- A. Replacement Reserves – An account to fund new building materials and systems as older materials and systems wear out.
 1. For projects utilizing tax credits, the total replacement reserves shall not be less than those specifically listed in CCR, Title 4, Section 10327 (7)(A), as amended.
 2. For projects not utilizing tax credits, the minimum reserve shall be:
 - No less than \$300 per unit per year for rehabilitation projects
 - Not less than \$250 per unit per year for new construction or senior projects
- B. Operating Reserves – An account to cover a deficit in the property’s operation.
 1. For projects utilizing tax credits, the total operating reserve shall not be less than those specifically listed in CCR, Title 4, Section 10327(7)(B), as amended.
 2. For projects not utilizing tax credits, the minimum reserve shall be:
 - Equivalent to three months of estimated operating expenses and debt services under stabilized occupancy.

Collateral/Security

The loan shall be secured by a Deed of Trust, secured by real property or other security as approved by the County. The County may consider subordinating its lien position to other lenders.

Loan Documents

Prior to receiving funding, Applicants must execute the following “Loan Documents,” except the County may choose to exclude one or more of the documents:

- Loan Agreement (sets forth terms of loan and scope of project)
- Declaration of Restrictions (recorded against the property, restricts rents/resident payments and occupancy, and governs project operations) or, if a homeownership project, an Affordability Agreement (recorded against the property, ensures continued affordability of the ownership units)

- Promissory Note (sets forth terms of loan repayment)
- Deed of Trust (recorded against fee or leasehold interest as appropriate, secures loan obligations)
- Subordination Agreement(s) with other lenders as applicable
- Assignment of Contracts and Plans
- Memorandum of Agreement
- Option and Purchase Agreement
- Other documents as determined by the County

County will not subordinate its Declaration of Restrictions or Affordability Agreement to private lenders.

Compliance Monitoring and Reports

The County reserves the right to monitor compliance with the Declaration of Restrictions during the term of the Declaration of Restrictions or Affordability Agreement to ensure that owner- occupancy requirements are met. Project owners shall be required to submit reports as indicated in the Loan Agreement.

Fair Housing and Equal Opportunity

All projects receiving RLF funding must comply with applicable State and Federal fair housing and equal opportunity laws.

Prevailing Wages and Relocation

Projects funded through the RLF are public works within the meaning of Labor Code Section 1720 and it will be the applicant, developer’s, and owner’s responsibility to ensure compliance with California’s Prevailing Wage Laws, Labor Code Section 1770 et seq., where applicable.

Applicants shall comply with all regulations of applicable local, state, and federal relocation law.

Underwriting Standards

The County Revolving Loan Fund Underwriting Standards summarizes the underwriting standards and loan terms, as detailed above.

County Revolving Loan Fund Underwriting Standards	
Loan Term	Short-term: 60 months, with up to two 6-month extension options. Long-term: 30 years, with up to two 6-month extension options.
Loan Amount	The maximum loan amount is \$750,000 per project.
Loan to Value Ratio	Up to 100% of appraised property value, plus predevelopment and/or site improvements costs. Appraisal is required within the last 6 months.
Interest Rate	3% simple interest
Loan Repayment	Residual receipts, as approved by the County. Payments will be based on residual receipts, with the calculation methodology and timing established in the loan agreement. Principal and any remaining interest shall be due at the earlier of conversion to construction/permanent financing or the maturity date.

County Revolving Loan Fund Underwriting Standards	
Covenant Priority	Covenants shall be recorded senior to all monetary deeds of trust, unless the County approves otherwise in writing.
Developer Fees	Developer fees must comply with all applicable funding source limitations. RLF dollars may not be used for developer fees.
Predevelopment and Development Budgets	The County will evaluate the predevelopment and development budgets in comparison to construction cost estimates; costs for other, similar projects; costs for other projects with adjustments for scope differences; industry resources for building cost data; and other resources available to the County.
Cash Flow and Debt Coverage Ratio	The Applicant shall submit a 15 year cash flow. The cash flow should show a Year 1 debt service coverage ratio of 1.1 or higher and positive net cash flow through at least Year 15.
Operating Expenses	Total operating expenses shall not be less than those specifically listed in California Code of Regulations, Title 4, Section 10327, as minimum operating expenses. The County may require higher operating expenses or approve lower operating expenses under certain circumstances.
Reserves	The development budget should include replacement reserves and operating reserves.
Collateral/Security	Loans will be secured by a Deed of Trust, secured by real property or other security as approved by the County.
Fees	One-time application fee of \$500 and a loan origination fee of 1%.
Loan Documents	All loans will require a Loan Agreement, Promissory Note, Deed of Trust, Covenant Agreement, Subordination Agreement(s), Assignment of Contracts and Plans, Memorandum of Agreement, and/or other documents as determined by the County.
Fair Housing and Equal Housing Opportunity	All projects receiving RLF funding must comply with applicable State and Federal fair housing and equal housing opportunity laws.
Prevailing Wages and Relocation	It is the Applicants responsibility to determine prevailing wage requirements under the REAP 2.0 funding and to follow all applicable local, state, and federal relocation laws, as applicable.
REAP 2.0 Funded Project Requirements	For projects funded under REAP 2.0, projects must be located within an infill area and meet the REAP 2.0 Infill Definition. All REAP 2.0 Requirements as described in the Grant Guidelines are perpetual and apply to all proceeds.



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Revolving Loan Fund Application

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APPLICATION OVERVIEW

The County of Riverside Revolving Loan Fund (“RLF”) is a new revolving loan program funded by a Subregional Partnership (“SRP”) 2.0 Program Grant from Southern California Association of Governments (“SCAG”). These grant funds act as seed capital, designed to be recycled over time as loans are repaid and reinvested into new projects. The long-term goal is to create a self-sustaining, continuously replenished source of financing that supports the development of affordable housing in the County of Riverside (“County”).

The RLF program will be administered by the County and will offer low-interest financing to developers, improving the feasibility of affordable housing projects and strengthening their ability to secure construction funding. By providing small, low-interest loans, the RLF will support early-stage project needs and help bridge financing gaps that often delay or jeopardize affordable housing development.

The County is issuing this Revolving Loan Fund Program Application (“Application”) with the objective of supporting the construction, acquisition, and/or rehabilitation of affordable housing units within County limits. The units will serve households earning up to 80 percent of the Area Median Income (“AMI”).

Applications may be submitted and received on a rolling basis. Applicants who submit a complete application that meets the threshold criteria outlined in this Application and the Program Guidelines (attached hereto) will be evaluated and considered for funding on a first-come, first-served basis until all available funds are exhausted. The County reserves the right to prioritize certain applications based on one or more of the County’s funding priorities or preferences. In future years, the County may adopt a formal ranking criterion. The County retains sole discretion in allocating all funding.

APPLICATION SUBMITTAL INSTRUCTIONS

All materials and information related to this Application can be found within the Application. Submit completed and signed Application responses via email.

Electronic applications shall be submitted via a secured electronic document management and storage system (SharePoint, OneDrive, Dropbox, etc.) with email notification to TBD@rivco.org.

Submitted Applications must be complete and executed to be considered for review. When a section of the application does not apply or is to be determined, the Applicant should note “N/A” or “TBD” within the Application. Any attachments to the Application must be clearly named and labeled.

The County, at its discretion, reserves the right to change the requirements and policies described in the Application. The County is responsible only for what is expressly stated in the Application documents. Any additional Application information shall be made available to each person or organization via the County’s website. It is the applicant’s responsibility to confirm, prior to submission, that the application reflects the most recent requirements and policies. By submitting

an Application, the applicant acknowledges receipt of all supplemental information, if applicable, that was posted on the County’s website. The County is not responsible for and shall not be bound by any representations otherwise made by any individual acting or purporting to act on its behalf if those representations conflict with the Application requirements.

The County retains the right to disqualify any application that is incomplete, disorganized, lacks required attachments, or includes inaccurate, inconsistent, misrepresented information, or other deficiencies. Forms provided in the Application must be used, and information provided otherwise may be disregarded at the discretion of the County. The County reserves the right to waive disparities in the Application response if the sum and substance of the Application is present. The County also reserves the right to terminate this Application at any time without prior notice.

THRESHOLD CRITERIA

In addition to submitting a complete application, Applicants must ensure their proposed projects meet the minimum threshold criteria as outlined in this Application and within the Program Guidelines (attached hereto).

Applicant Experience

Eligible Applicants include nonprofit, public, and private affordable housing developers, nonprofit organizations, public entities, social service agencies, faith-based groups, and other community groups partnering with an experienced affordable housing developer. Applicants may partner with an experienced affordable housing developer to meet eligibility requirements. Developers or leads must have prior experience owning and/or operating a project located within the County and/or within an area served by the SCAG.

Applicants must demonstrate the ability to:

- Construct, acquire and/or rehabilitate affordable housing developments.
- Operate and maintain affordable housing development throughout the Project’s life cycle.
- Adhere to all programs’ regulatory, statutory, and funding requirements and guidelines.
- Leverage other funding sources or present a plan to leverage other funding sources.

Project Eligibility Housing types may include, but are not limited to, the following:

- New construction of affordable mobile home communities (small or large), multifamily rental housing, and homeless/transitional rental housing
- Acquisition and rehabilitation of affordable rental housing

Eligible Uses

RLF funds may be used for the following eligible purposes:

- Site acquisition and preparation
- Predevelopment expenses, including but not limited to:
 - Carrying charges and financing fees
 - Preliminary title reports
 - Architect design and engineering/soils work
 - Environmental analysis and reports

- Legal and financial consultants
- Planning and permitting fees
- Appraisal and market study costs
- Applicant and consultant fees to secure additional project financing
- Short-term construction loans
- Long-term construction loans

Funds **may not** be used for developer fees, agency operating expenses, support or social services, or development reserves.

Geographic Requirements

Projects must be infill development located within the County of Riverside. An infill project is defined as an area that consists of unused or underutilized lands, is within existing development patterns, and is accessible to destinations and services by transit, walking, or bicycling. A qualifying infill project to be considered under this program is as defined by the State’s REAP 2.0 Program.

Infill Definition

“Infill”, for the purposes of the REAP 2.0 Program, means areas where all the following apply: (1) the area consists of unused or underutilized lands (2) within existing development patterns (3) that is or will be accessible to destinations and daily services by transit, walking, or bicycling and located in either:

- a. An urban center, urban corridor, or area with transit-supportive densities, or
- b. An established community that meets all the following criteria:
 - i. The area consists or previously consisted of qualified urban uses
 - ii. The area is predominantly surrounded (approximately 75 percent of the perimeter) by parcels that are developed or previously developed with qualified urban uses. In counting this, perimeters bordering navigable bodies of water and improved parks shall not be included, and
 - iii. No parcel within or adjoining the area is classified as agricultural or natural and working lands.

Additional guidance to help determine whether a project meets the infill definition can be found [here](#).

APPLICATION TIMELINE

Below is the Application timeline. The County reserves the right to modify any dates in the schedule as needed.

Date	Event
March 2026	Release of Application
Rolling thereafter	Applications accepted and reviewed on a rolling basis
+60-90 days from submission	Estimated review and notification period

TECHNICAL ASSISTANCE

All communications regarding this Application and any requests for clarification must be submitted to the County via email at TBD@rivco.org.

FUNDING PRIORITIES

Preferential consideration will be provided for affordable housing developments that meet the following conditions:

- Proposed development is located in the unincorporated County.
- Proposed development is located on County owned land.
- Proposed development is located on a housing site identified in County's Housing Element.
- The development creates or constructs new affordable units: New units may include new construction developments, rehabilitation of existing unrestricted housing that will be converted to affordable, or conversion of existing facilities to affordable housing units.
- Proposed development has site control and has begun the entitlement process (with a Pre-Application and/or Development Plan Permit) or has received entitlements (such as approval of a Development Plan Permit).
- Proposed development has City support letter or commitment of land, funding, or waivers.
- Proposed development has secured funding awards from State/Federal programs.
- Proposed development has evidence of entitlements. *If project is being approved through provisions of SB35, AB 2011, AB 2162, or if it is CEQA exempt please provide a letter of determination from the City that the project meets the requirements of such an exemption.*

TERMS

Selected applications will be underwritten per the guidelines outlined in the Revolving Loan Fund Guidelines (Attachment B).

FEES

The Owner of any development funded through this Application will be required to pay any and all relevant fees that may be imposed by the County, and such fees may be enacted or amended from time to time, per the County's fee schedule. These costs should be factored into the proposal's operating pro forma.



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REVOLVING LOAN FUND APPLICATION

Applicant Information

Name of Applicant:	
Street Address:	
County, State, Zip Code:	
Phone/Email:	
Applicant Primary Contact:	
Phone/Email:	

Applicant Type

Select one of the following.

- | | |
|---|--|
| <input type="checkbox"/> Nonprofit developer | <input type="checkbox"/> For-profit developer |
| <input type="checkbox"/> Other nonprofit organization | <input type="checkbox"/> Public entity |
| <input type="checkbox"/> Social service agency | <input type="checkbox"/> Faith-based group |
| <input type="checkbox"/> Other community group | <input type="checkbox"/> Other (please describe) _____ |
| _____ | |
| <input type="checkbox"/> A Limited or General Partnership | |

Development Team

Provide the name and contact information of your proposed development team. If a role has not been selected at the time of application, note “TBD.”

Role	Contact Name/Title	Phone/Email	Address
Developer			
Architect			
General Contractor			
Development Consultant			

Project Information

Project Type (select all that apply):

- Multi-family rental
- New construction
- Acquisition/ rehab of existing rental housing
- Conversion of non-residential building to rental housing
- Conversion of market rate to affordable rental
- Other (please describe): _____

Project Name: _____

Street Address: _____

County, State, Zip Code: _____

Parcel Number(s): _____

County Owned Land? Yes No

Project Zoning: _____

Evidence of Site Control? Yes No

If no, what is the plan and timing to obtain site control? _____

Evidence of Entitlements? Yes No

Loan Request

Total Requested Loan Amount: _____

Purpose of Loan (Check all that apply):

- Site Acquisition and Preparation Engineering and Design
 - Predevelopment Expenses Other (please describe): _____
 - Loan Repayment
- _____

ADDITIONAL DOCUMENTS

As part of a complete Application, the following supplemental documents must be submitted. If any required document is not available at the time of submission, the Applicant must include a written timeline indicating when the document will be provided.

1. **Applicant Experience:** Provide a one-page resume summarizing the Applicant’s development experience, organizational background, and relevant past experience, including experience developing, owning, and operating affordable projects located in the County and/or within an area served by the SCAG. Applicants may partner with an experienced affordable housing developer to meet eligibility requirements. Include an organizational chart showing the ownership and management structure (excluded from one-page limit). Optional resumes for key development staff assigned to the project may be included and will not count toward the Applicant resume limit.
2. **Applicant/Sponsor Feasibility:** Submit the two most recent years of audited financial statements for the Applicant. If audited financials are not available, provide year-to-date (“YTD”) financial statements accompanied by a signed certification attesting to their accuracy and completeness.
3. **Appraisal:** Provide an appraisal establishing the value of the property. If an appraisal is not yet available, indicate the expected completion date of the appraisal.
4. **Development Forms:** Submit a detailed predevelopment and/or development budget, sources and uses statement, first year operating budget, and a 15-year pro forma.
5. **Development Narrative:** Provide a narrative (no more than 2 pages) that provides the following:
 - Project description: location, access to community amenities and services, site characteristics, and existing uses
 - Development details: proposed design, number and mix of units, income targeting, population to be served, proposed amenities or sustainability features, any known site, environmental, entitlement, or market challenges and strategy to address them.
 - Financing plan: proposed financial sources, use of County’s RLF dollars, strategy for repayment of County’s RLF dollars.
 - Alignment with the County’s housing goals and any applicable housing programs.
6. **Design and Implementation:** Provide preliminary site plan(s) and floor plans.
7. **Enforceable Commitments:** Provide the status of enforceable commitments and evidence of any enforceable commitments secured, including commitments from Local/State/Federal agencies.
8. **Evidence of Site Control:** Provide evidence of site control (e.g. purchase and sale agreement, option agreement, or deed). If site control has not been established, provide a plan to establish site control and the anticipated date of site control.

9. **Evidence of Entitlements**: If project is being approved through provisions of SB35, AB 2011, AB 2162, or if it is CEQA exempt please provide a letter of determination from the City that the project meets the requirements of such an exemption.
10. **Environmental Review and Related Reports**: Provide a Phase I environmental assessment and any related environmental or engineering studies (e.g. soils report, lead and asbestos survey, termite report, residual pesticides, water damage, noise and traffic study, etc.) If any reports are not yet available, specify the estimated completion date and identify any known or suspected environmental issues.
11. **Market Study**: Submit a market study demonstrating demand for the proposed housing type within the project's market area. If unavailable, provide an estimated completion date and a written justification demonstrating the market need for the project.
12. **Preliminary Title Report**: Provide a current Preliminary Title Report identifying all liens, easements, or other encumbrances affecting the property.
13. **Project schedule**: Complete **Attachment A**- Project Schedule, detailing key milestones.
14. **Rehabilitation Estimate**: For rehabilitation projects, provide a Physical Needs Assessment or equivalent report conducted by an independent third-party assessor.
15. **Relocation Plan** (if applicable). If temporary or permanent relocation is anticipated, submit a Relocation Plan consistent with applicable relocation laws. If not yet available, provide the projected completion date.
16. **Supportive Services**: For projects that include supportive services, provide a support services plan and letter of intent ("LOI") from service providers. If unavailable, provide a narrative of services to be provided and proposed service providers.

ATTACHMENT A

Project Schedule

Applicant Name: _____ Development Name: _____

Milestone	Date
Site Control	
Site Acquired	
Permitting and Entitlements	
Site Plan Review	
Grading Permit	
Building Permit	
Project Financing	
Construction Financing: Enforceable Commitment	
Permanent Financing: Enforceable Commitment	
Other Loans and Grants	
Type/Source _____ Application Submission	
Type/Source _____ Application Submission	
Type/Source _____ Application Submission	
Type/Source _____ Application Submission	
Type/Source _____ Application Submission	
Project Closing	
Construction Start	
Placed in Service	

ATTACHMENT B

Guidelines