

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



ITEM: 3.10
(ID # 30365)

MEETING DATE:
Tuesday, May 12, 2026

FROM : HOUSING AND WORKFORCE SOLUTIONS

SUBJECT: HOUSING AND WORKFORCE SOLUTIONS (HWS): Approve the Form of Real Property Conveyance Agreement between Social Work Action Group (SWAG), and Approve the Allocation of up to \$100,000 to Repair and Update the Palomar Property in the City of Wildomar, Gustin Property in the City of Perris, and Prospect Property in the City of Lake Elsinore; Districts 2 and 3. [Total Cost \$100,000; 100% State Funding]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached form of Real Property Conveyance Agreement between Social Work Action Group (SWAG), a California nonprofit public benefit corporation, and the County of Riverside, finding that SWAG is in default under the Affordable Housing Loan Agreement for the Use of 2018 Homeless Emergency Aid Program (HEAP) Funds (Loan Agreement), including but not limited to failure to pay real property taxes and failure to operate the Properties for their intended purpose, and that the County is entitled to exercise its remedies under the Loan Agreement;
2. Approve the allocation of up to \$100,000 consisting of Homeless Housing, Assistance, and Prevention (HHAP) Program Funds to the County of Riverside Department of Housing and Workforce Solutions with approximate allocation of \$70,000 complete renovations, interior improvements, exterior repairs, safety updates, and \$30,000 to pay escrow transfer fees and costs associated with transferring the Properties to the County;

Continued on Page 2


ACTION: Policy


Heidi Marshall, Director 5/5/2026

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Gutierrez, seconded by Supervisor 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: May 12, 2026
xc: HWS

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

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RECOMMENDED MOTION: That the Board of Supervisors:

3. Accept the transfer of the Properties, identified as Assessor's Parcel Numbers (APN) 370-320-009, 287-180-012, and 373-151-036, respectively, from SWAG to the County;
4. Authorize the Director of the Housing and Workforce Solutions, (HWS), or designee, to execute the Real Property Conveyance Agreement and all necessary escrow documents including but not limited to Grant Deeds on behalf of the County, conforming substantially in form and substance to the attached, subject to approval as to form by County Counsel; and
5. Authorize the Director of the HWS, or designee, to take any and all necessary steps to implement the Real Property Conveyance Agreement, accept the transfer of the Properties, and complete the Project, including but not limited to, signing subsequent necessary and relevant documents, subject to approval as to form by County Counsel.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$100,000	\$ 0	\$ 100,000	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: 100% State Funds			Budget Adjustment: No	
			For Fiscal Year: 25/26	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On November 19, 2019 (Minute Order 3.33), the Board of Supervisors approved a Loan Agreement for the Use of Homeless Emergency Aid Program (HEAP) Funds (Loan Agreement) providing \$1,342,251 in HEAP funds to Social Work Action Group, a nonprofit public benefit corporation (SWAG). The HEAP funds were allocated for the acquisition of three residential properties intended to serve as permanent supportive housing for individuals experiencing homelessness. The properties acquired include:

- **Prospect Property:** 0.20-acre property located at 137 E. Prospect St. Lake Elsinore, CA 92530-4187, more specifically described as Assessor's Parcel Number (APN) 373-151-036
- **Gustin Property:** 1-acre property located at 20120 Gustin Road Perris, CA 92570-9472, more specifically described as APN 287-180-012
- **Palomar Property:** 1-acre property located at 20200 Palomar St. Wildomar, CA 92595, more specifically described as APN 370-320-009

Between April 2020 and March 2021, SWAG successfully acquired all three properties. Each property was a turn-key single-family residence with 4 – 6 bedrooms, collectively providing 18

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permanent supportive housing beds for individuals with income levels at or below 30% of the Area Median Income. Supportive Services were to be provided to each occupant as well.

On December 17, 2019 (Minute Order 3.28), the Board approved a Subrecipient Agreement awarding SWAG operational and supportive services funding to serve homeless individuals at the Properties.

Request for County Action

In May of 2025, the County reached out to SWAG to discuss the operations of the subject properties. In those conversations it was determined that SWAG did not wish to continue to operate the homes and was willing to transfer the properties back to the County of Riverside in accordance with the terms of the Loan Agreement.

County staff engaged in extensive discussions with SWAG to ensure a smooth transfer of the properties. SWAG has agreed to transfer the Properties to the County through a Real Property Conveyance, and to pay all past-due property taxes as part of the negotiated resolution. SWAG has expressed its desire for the County to assume ownership so that the properties may continue serving unhoused residents of Riverside County. SWAG will continue its mission of street outreach, intervention, and assistance to marginalized individuals and families.

Project Needs and Funding

To restore the Properties to operational condition, staff estimate that up to \$100,000 is required for:

- Renovations and interior improvements
- Exterior repairs and restoration
- Safety mechanism updates to meet current standards
- Escrow fees and transfer costs

Staff recommends, the allocation of up to \$100,000 in interest accrued from the Homeless Housing, Assistance, and Prevention (HHAP) Round 2 Program Funds to County of Riverside Department of Housing and Workforce Solutions to support completion of this work. Once Properties are restored, HWS will resume operations consistent with their original intended use. Vendor(s) will be selected by HWS from the County's pre-qualified pool of real estate service providers, in accordance with Board Policy H-7.

The terms of the proposed satisfaction of debt and property conveyance are set forth in the attached Real Property Conveyance Agreement. County Counsel has reviewed and approved the form of the Agreement.

Impact on Residents and Businesses

Approval of this item will allow the County to restore and operate the Properties as permanent supportive housing, increasing the availability of affordable housing for individuals experiencing homelessness, at risk of homelessness, or chronically homeless. This will have a positive impact on the community and businesses.

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Attachment:

- Attachment A: Form of Real Property Conveyance Agreement

Stacey Pena

Stacey Pena, EO Management Analyst 5/5/2026

Aaron Gettis

Aaron Gettis, Chief Deputy County Counsel 5/5/2026

**REAL PROPERTY CONVEYANCE AGREEMENT
(DEED IN LIEU OF FORECLOSURE)
BETWEEN
SOCIAL WORK ACTION GROUP,
A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION,
AND
THE COUNTY OF RIVERSIDE,
A POLITICAL SUBDIVISION OF THE STATE OF CALIFORNIA**

This REAL PROPERTY CONVEYANCE AGREEMENT (“Agreement”) is made as of the ___ day of _____, 2026 (the “Effective Date”), by and between Social Work Action Group, a California nonprofit public benefit corporation, having an address at 5053 La Mart Dr., Suite #204, Riverside, California 92507 (“Debtor”), and the County of Riverside, a political subdivision of the State of California, acting by and through its Department of Housing, Homelessness Prevention, and Workforce Solutions, having its principal office at 3403 Tenth Street, Suite 200, Riverside, California 92501 (“County,” and together with Debtor, the “Parties”).

RECITALS

- A. **Ownership.** Debtor is the fee simple owner of certain parcels of real property located in Riverside County, California, commonly known as the Perris Property, the Lake Elsinore Property, and the Wildomar Property, each more particularly described on Exhibit A (individually, a “Property,” and collectively, the “Properties”). The Properties are improved with single-family homes used to provide housing to homeless individuals. The addresses of these properties include:
1. 20120 Gustin Rd., Perris, CA 92570 (APN: 287-180-012) (Perris Property)
 2. 137 E. Prospect St., Lake Elsinore, CA 92530 (APN: 373-151-036) (Lake Elsinore Property)
 3. 20200 Palomar St., Wildomar, CA 92495 (APN: 370-320-009) (Wildomar Property)
- B. **Perris Loan and Deed of Trust.** On or about May 19, 2020, Debtor executed a Deed of Trust, Security Agreement and Fixture Filing (with Assignment of Rents and Leases) (the “Perris Deed of Trust”) in favor of County, encumbering the Perris Property to secure repayment of a loan in the original principal amount of Five Hundred Seven Thousand Eight Hundred Ninety-Five Dollars (\$507,895.00), the proceeds of which financed Debtor’s acquisition of the Perris Property (the “Perris Loan”). The Perris Loan is evidenced by the Affordable Housing Loan Agreement between County and Debtor of even date with the Perris Deed of Trust (the “Perris Loan Agreement”), the Perris Deed of Trust, and County Promissory Note, Covenant Agreement, and UCC-1, each as defined in the Perris Loan Agreement (each of the foregoing, individually a “Perris Loan Document,” and, collectively, the “Perris Loan Documents”).

- C. **Lake Elsinore Loan and Deed of Trust.** On or about June 11, 2020, Debtor executed a Deed of Trust, Security Agreement and Fixture Filing (with Assignment of Rents and Leases) (the “Lake Elsinore Deed of Trust”) in favor of County, encumbering the Lake Elsinore Property to secure repayment of a loan in the original principal amount of Five Hundred Twenty-Six Thousand Eight Hundred Sixty Dollars (\$526,860.00), the proceeds of which financed Debtor’s acquisition of the Lake Elsinore Property (the “Lake Elsinore Loan”). The Lake Elsinore Loan is evidenced by the Affordable Housing Loan Agreement between County and Debtor of even date with the Lake Elsinore Deed of Trust (the “Lake Elsinore Loan Agreement”), the Lake Elsinore Deed of Trust, and County Promissory Note, Covenant Agreement, and UCC-1, each as defined in the Lake Elsinore Loan Agreement (each of the foregoing, individually a “Lake Elsinore Loan Document,” and, collectively, the “Lake Elsinore Loan Documents”).
- D. **Wildomar Loan and Deed of Trust.** On or about March 24, 2021, Debtor executed a Deed of Trust, Security Agreement and Fixture Filing (with Assignment of Rents and Leases) (the “Wildomar Deed of Trust”) in favor of County, encumbering the Wildomar Property to secure repayment of a loan in the original principal amount of Three Hundred Sixty-Three Thousand Four Hundred Forty-Seven Dollars and Ten Cents (\$363,447.10), the proceeds of which financed Debtor’s acquisition of the Wildomar Property (the “Wildomar Loan”). The Wildomar Loan is evidenced by the Affordable Housing Loan Agreement between County and Debtor of even date with the Wildomar Deed of Trust (the “Wildomar Loan Agreement”), the Wildomar Deed of Trust, and County Promissory Note, Covenant Agreement, and UCC-1, each as defined in the Wildomar Loan Agreement (each of the foregoing, individually a “Wildomar Loan Document,” and, collectively, the “Wildomar Loan Documents”). Each of the Perris Loan, the Lake Elsinore Loan, and the Wildomar Loan may sometimes be referred to herein individually as a Loan, and collectively as “Loans.” Each of the Perris Loan Documents, the Lake Elsinore Loan Documents, and the Wildomar Loan Documents may sometimes be referred to herein individually as a Loan Document, and collectively as “Loan Documents.”
- E. **Defaults.** Debtor is in default under each of the Loans, including, without limitation, by reason of Debtor’s failure to maintain occupancy of the Properties in accordance with the Loan Documents. County is entitled to exercise its remedies under the Loan Documents, including foreclosure of the Properties.
- F. **Purpose of Agreement.** To avoid foreclosure, any attendant litigation, and the delays and expenses associated therewith, Debtor desires to transfer and convey to County all of Debtor’s right, title, and interest in and to the Properties in full satisfaction of the Loans, and, on the terms and subject to the conditions set forth herein, County has agreed to accept such conveyance in full satisfaction of the Loans.

AGREEMENT

1. **Satisfaction of Debt.** Upon the occurrence of the Closing (as defined below) and recordation of the Grant Deeds attached hereto as Exhibit B (collectively, the “Deeds”), County shall accept the conveyance of the Properties in full and complete satisfaction of all obligations of

Debtor under the Loan Documents or otherwise in respect of the Loans. Upon Closing, all indebtedness evidenced and secured by the Loan Documents shall be deemed fully satisfied, released, and discharged, and County shall cause reconveyances, releases, or terminations of record of each of the Perris Deed of Trust, the Lake Elsinore Deed of Trust, and the Wildomar Deed of Trust (each, a “Deed of Trust,” and collectively, the “Deeds of Trust”) to be executed and recorded in the Office of the County Recorder for Riverside County (each such document, individually a “Reconveyance,” and collectively, the “Reconveyances”). County’s acceptance of the Properties pursuant to this Agreement shall constitute full satisfaction of the Loans, and County shall have no right to seek any deficiency judgment against Debtor.

2. **Absolute Conveyance.** The conveyance of the Properties pursuant to this Agreement is a voluntary, intentional, and absolute conveyance of Debtor’s right, title, and interest in the Properties to County, in fact as well as in form. It is not intended as a mortgage, deed of trust, security interest, or other instrument of security, and shall not be deemed or construed as such. Debtor expressly waives and relinquishes any and all rights of redemption, reinstatement, homestead, or other statutory or equitable rights with respect to the Properties following Closing.

3. **Representations and Warranties of Debtor.** Debtor represents and warrants to County, as of the Effective Date and as of Closing, as follows:

- a. **Organization and Existence.** Debtor is a California nonprofit public benefit corporation, duly organized, validly existing, and in good standing under the laws of the State of California.
- b. **Authorization.** Debtor has full power and authority to execute, deliver, and perform its obligations under this Agreement. The execution, delivery, and performance of this Agreement have been duly authorized by all requisite corporate action of Debtor’s board of directors.
- c. **Title.** Debtor is the sole owner of fee simple title to the Properties, free and clear of all liens, encumbrances, and security interests other than (i) the liens created by the Loan Documents, and (ii) matters of record expressly accepted by County (collectively, the “Permitted Exceptions”).
- d. **No Conflict.** The execution, delivery, and performance of this Agreement by Debtor will not (i) conflict with or result in a breach of Debtor’s articles of incorporation, bylaws, or other governing documents, (ii) conflict with or result in a breach of any material contract, agreement, or obligation to which Debtor is a party, or (iii) violate any applicable law, regulation, order, or judgment binding on Debtor.
- e. **Litigation.** Except as previously disclosed in writing to County, Debtor has not received written notice of any pending or threatened litigation, claim, action, or proceeding before any court, governmental authority, or arbitrator relating to the Properties or Debtor’s ownership thereof.
- f. **Environmental Matters.** To Debtor’s knowledge, no hazardous materials (as defined under applicable federal, state, or local law) have been generated, stored, treated, released, or disposed of on, under, or about the Properties in violation of applicable law.
- g. **Occupancy.** The Properties are not currently occupied by tenants, licensees, or residents pursuant to any housing agreements, licenses, leases, or other occupancy arrangements, and Debtor affirms that no such agreements are in effect as of the

Effective Date. Debtor further represents and warrants that there are no individuals residing at the Properties under any informal or undocumented arrangements, and that Debtor shall deliver vacant possession of the Properties at Closing, free of tenants, licensees, occupants, or claims to possession of any kind.

- h. Debtor warrants that all contractors, subcontractors, and suppliers have been paid in full for work performed on properties.

4. **Representations and Warranties of County.** County represents and warrants to Debtor that it has obtained all necessary internal approvals (**other than Board Approval as provided in Section 7**), to enter into this Agreement and to perform its obligations hereunder, including acceptance of conveyance of the Properties.

5. **Closing and Deliverables.**

- a. Closing. The closing of the transactions contemplated herein (the “Closing”) shall occur on the date of recordation of the Deeds. Time is of the essence with respect to Closing.
- b. Deliverables by Debtor. At or prior to Closing, Debtor shall deliver to County or into such escrow as may have been established with respect to this Agreement (if applicable, “Escrow”):
 - i. Executed and recordable Grant Deeds for each of the Properties;
 - ii. At or prior to Closing, Debtor shall deliver vacant possession of the Properties, free of tenants, licensees, or occupants, unless otherwise expressly approved in writing by County;
 - iii. All keys, access codes, and possession of the Properties; and
 - iv. Such other customary affidavits, certificates, and instruments as may be reasonably requested by County or the title company insuring County’s title to each Property, if applicable, to consummate the transfer.
- c. Deliverables by County. At or prior to Closing, County shall deliver to Debtor, or into Escrow, as the case may be, executed and recordable Reconveyances evidencing satisfaction and release of the Loans and reconveyance of each of the Deeds of Trust, as provided in Section 1.
- d. Costs. Each Party shall bear its own legal and transaction costs. County shall bear the cost of recording the Deeds and related Reconveyances. Any applicable transfer taxes shall be allocated in accordance with law, subject to any exemption applicable to conveyances to a governmental entity.

6. **Taxes, Walkthrough, and Condition of Properties.**

- a. Property Taxes. Debtor shall be responsible for payment of any property taxes, assessments, penalties, or interest that may have accrued or become due and payable with respect to the Properties prior to Closing
- b. Walkthrough. As a condition to submission by County of this Agreement for County Approval in accordance with Section 7 (the “Board Submission”), Debtor shall make the Properties reasonably available for inspection and walkthrough by County at a mutually agreed date and time prior to Board Submission (the “Walkthrough”). Debtor shall cooperate in arranging the Walkthrough, but shall not be obligated to perform any repairs, replacements, or maintenance in connection

therewith, the sole effect of the failure of this Agreement to receive County Approval, on the basis of the Walkthrough or on any other basis, other than as expressly provided in Section 6.d, to be the termination of this Agreement without fault attributable to either Party.

- c. No Liability for Condition. Except as expressly provided in Section 6.d, Debtor shall not be responsible for any conditions, deficiencies, or repair or maintenance items identified by County during the Walkthrough, and County shall not use the Walkthrough or any findings therein as the basis for pursuing any citation, code enforcement, fine, penalty, or other action against Debtor. The sole purpose of the Walkthrough is to enable County to prepare the Board Submission, including to permit the identification and estimated costs of any necessary repairs identified during the Walkthrough.
- d. Limited Debtor Liability. Debtor shall be liable only for grossly negligent and intentional destruction of or waste to the Properties committed by Debtor after the date of the Walkthrough and prior to Closing. Except as expressly set forth herein, Debtor shall have no liability for the condition of the Properties, whether known or unknown.

7. County Approval.

- a. Board Approval Required. The Parties acknowledge that execution of this Agreement does not itself effectuate the conveyance of the Properties or require either Party to proceed to Closing. County's obligation to proceed with the Closing and to accept delivery of the Deeds in satisfaction of the Loans is **expressly conditioned upon approval of this Agreement and the transactions contemplated hereby by the Riverside County Board of Supervisors** ("Board Approval").
- b. Effect of Approval. Upon receipt of Board Approval, the Parties shall diligently and in good faith take all actions necessary to consummate the transactions contemplated herein without unreasonable delay.
- c. Effect of Non-Approval. If Board Approval is not obtained, this Agreement shall be null and void, and neither Party shall have any further obligation to the other, except that each Party shall bear its own costs incurred in connection with the negotiation and execution of this Agreement.
- d. Purpose of Walkthrough. The Walkthroughs are intended solely to provide County with information to determine estimated costs of repairs and maintenance, if any, to be presented to the Board of Supervisors as part of the Board Submittal . County's Walkthrough shall include confirmation of the vacancy status of the Properties.

8. Indemnities.

- a. By Debtor. Debtor shall indemnify, defend, and hold County harmless from any and all claims, liabilities, obligations, losses, damages, costs, expenses, mechanic's liens or stop notices (including reasonable attorneys' fees) ("Losses") arising out of claims asserted by any third party relating to the ownership, use, or operation of the Properties, and for work performed or material suppliers related to services performed prior to Closing.

- b. By County. County shall assume all obligations and liabilities relating to the ownership, use, or operation of the Properties from and after Closing, and shall indemnify, defend, and hold Debtor harmless from any Losses arising out of claims asserted by any third party relating to the ownership, use, or operation of the Properties on or after Closing.

9. **Notices.** All notices required or permitted under this Agreement shall be in writing and shall be given by (i) personal delivery; (ii) registered or certified United States Mail, postage prepaid, return receipt requested; (iii) facsimile, if transmitted by a machine that produces a transmission report verifying the date and time of transmission and the telephone number to which transmitted, and a confirming hard copy is mailed to the recipient; or (iv) overnight delivery service that issues a receipt. In the case of mail, facsimile transmission report, and courier, such notice shall be addressed to the appropriate party at the address set forth below. Notice given by personal delivery shall be effective upon delivery; notice given by mail will be effective upon receipt or upon the date of refusal of receipt, whichever is earlier; notice given by facsimile will be effective on the date shown on the transmission report; and notice given by overnight delivery service will be effective on the date of receipt or the date of refusal of receipt, whichever is earlier.

If to Debtor: Social Work Action Group
 Attn: Monica Sapien Petroff
 5053 La Mart Dr., Suite #204
 Riverside, CA 92507

If to County: County of Riverside
 Department of Housing, Homelessness Prevention, and Workforce
 Solutions
 3403 Tenth Street, Suite 200
 Riverside, CA 92501

Such address or telephone number may be changed by written notice pursuant to this Section. Failure to conform to the requirements of this Section shall not defeat the effectiveness of any notice actually received by the addressee.

10. **Survival.** The representations and warranties, and indemnities of the Parties contained herein shall survive the Closing and delivery and recordation of the Deeds and Reconveyances.

11. **Governing Law.** This Agreement shall be governed by, construed, and enforced in accordance with the laws of the State of California, without regard to conflict of laws principles.

12. **Entire Agreement.** This Agreement, together with the exhibits hereto, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements, representations, and understandings, whether oral or written.

13. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which, together, shall constitute one and the same instrument. Execution and delivery of signatures electronically (including PDF or DocuSign) shall be binding as originals.

IN WITNESS WHEREOF, Debtor and County have executed this Agreement on the day and year first above written.

**SOCIAL WORK ACTION GROUP,
A CALIFORNIA NONPROFIT PUBLIC BENEFIT
CORPORATION**

FORM COPY - DO NOT SIGN

By: _____

Its: _____

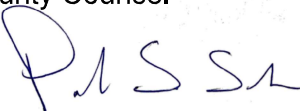
**COUNTY OF RIVERSIDE, A POLITICAL
SUBDIVISION OF THE STATE OF CALIFORNIA,
ACTING BY AND THROUGH ITS DEPARTMENT
OF HOUSING, HOMELESSNESS PREVENTION,
AND WORKFORCE SOLUTIONS**

FORM COPY - DO NOT SIGN

By: _____

Its: _____

Approved as to form:
Minh C. Tran
County Counsel


By:
Paula S. Salcido
Deputy County Counsel