

**FOURTH AMENDMENT TO
PROPERTY MANAGEMENT AND OPERATING AGREEMENT
HOUSING AUTHORITY AFFORDABLE RENTAL PROPERTIES**

THIS FOURTH AMENDMENT TO PROPERTY MANAGEMENT OPERATING AGREEMENT HOUSING AUTHORITY AFFORDABLE RENTAL PROPERTIES ("Fourth Amendment") is made and entered into as of this _____ day of _____, 2019, by and between the HOUSING AUTHORITY OF THE CITY OF RIVERSIDE, a public entity corporate and politic ("Owner") and RIVERSIDE HOUSING DEVELOPMENT CORPORATION, a California non-profit corporation ("Agent").

RECITALS

WHEREAS, on June 17, 2013, Owner and Agent entered into a Property Management and Operating Agreement Housing Authority Affordable Rental Properties Agreement ("Agreement") wherein the Agent agreed to provide property management and operational services on behalf of the Owner and pursuant to Paragraph 3 (TERM) the agreement commenced on that same date, June 17, 2013 and was in effect for an initial term of three (3) years, with an expiration date of June 17, 2016; and

WHEREAS, on January 14, 2016, Owner and Agent entered into a First Amendment to Property Management and Operating Agreement Housing Authority Affordable Rental Agreement to amend the Agreement to include additional properties and to provide for increased compensation to manage the additional properties; and

WHEREAS, on January 17, 2017, Owner and Agent entered into a Second Amendment to Property Management and Operating Agreement Housing Authority Affordable Rental Agreement to amend the Agreement to extend the term for one year with an expiration date of June 30, 2017; and

WHEREAS, on January 31, 2018, Owner and Agent amended the Agreement to extend the term for three (3) years with an expiration date of June 30, 2020; and

WHEREAS, Owner and Agent now desire to amend the Agreement to update the Schedule of Housing Authority-Owned Properties to be managed by Agent and adjust the Agent Compensation accordingly.

NOW THEREFORE, in consideration of the Recitals above, Owner and Agent agree as follows.

1. Exhibit "A-1", Schedule of Housing Authority-Owned Properties, is deleted in its entirety and replaced with Exhibit "A-2", attached hereto and incorporated herein.
2. Exhibit "G-1", Agent Compensation, is deleted in its entirety and replaced with Exhibit "G-2", attached hereto and incorporated herein.

3. Except as otherwise modified or amended hereby, the terms and provisions of the Agreement, as amended by the Fourth Amendment, shall remain in full force and effect and are incorporated herein by this reference as if set forth in full.

IN WITNESS WHEREOF, the parties hereto have caused this Fourth Amendment to be duly executed the day and year first above written.

OWNER

HOUSING AUTHORITY OF THE
CITY OF RIVERSIDE, a public entity,
corporate and politic

By: _____
Executive Director

ATTEST:

By: _____
Authority Secretary

APPROVED AS TO FORM:

By: _____
Authority General Counsel

AGENT

RIVERSIDE HOUSING DEVELOPMENT
CORPORATION, a California non-profit
corporation

By: _____
Name: BRUCE KULPA
Its: CEO

By: _____
Name: _____
Its: _____

CERTIFIED AS TO FUNDS AVAILABILITY:

BY: _____
Chief Financial Officer / City Treasurer

EXHIBIT "A-2" - Amendment #4
SCHEDULE OF HOUSING AUTHORITY-OWNED PROPERTIES

Funding Source	Address	Unit Count	Total Unit Mix	Maximum Tenant Income Qualifications
Neighborhood Stabilization Program(NSP)/HOME Investment Partnership				
	1740 Loma Vista	28	1 - 3 bed. 1 bath (Manager)	50%AMI
			11 - 2 bed. 1 bath	50%AMI
			16 - 1 bed. 1 bath	50%AMI
	1824 Ohio Street	4	1 - 3 bed. 2 bath	50%AMI
			3 - 2 bed. 2 bath	50%AMI
		2	2 - 1 bed. 1 bath	
	3065-3067 Fairmount Blvd.			50%AMI
	3556-3558 Dwight Ave.	2	1-1 bed. 1 bath	50%AMI
	3590 Dwight Ave	1	1-3 bed. 2 bath	50%AMI
	1925 Loma vista (apt. over 3590 garage)	1	1-1 bed. 1 bath	
	3675-3681 Dwight Ave.	4	4-2 bed. 1 bath	50%AMI
	3552 Lou Ella Lane	16	16- 1 bed. 1 bath	50%AMI
	3553 Lou Ella Lane	13 of 28	24- 1 bed. 1 bath	50%AMI
			4 - 2 bed. 1 bath	50%AMI
<p>Tenant's income shall not exceed 50% of area median income (AMI) for Riverside County as annually published by HUD pursuant to Section 8 of the United States Housing Act of 1937, as amended. Tenant's monthly rent including a reasonable utility allowance shall not exceed 30% of the households' gross income, adjusted for family size appropriate for the unit. Tenant's monthly rent shall not exceed very-low income rents pursuant to Section 92.252 of HOME</p>				

Supportive Housing Program

	1725 7th Street	4 of 10 units*	4 -1 bed. 1 bath	50%AMI
	1833, 1835, 1837 7th Street	3	2 bed. 1 bath	50%AMI
<p>Tenants monthly rent including a reasonable utility allowance shall not exceed Supportive Housing Program (SHP)</p> <p>Regulations - Section 583.315. 1725 Tenants: Tenants will be required to pay their monthly rent as identified in their rental agreement until the tenant has been relocated by the Housing Authority of the City of Riverside's relocation consultant. The Agent will be required to submit an annual compliance report to the Owner by June 30th that</p>				

Note:* 1725 7th Street consists of 10 apartment units, 2 of which are "out of service" and are not available for rental due to their advanced state of disrepair.

Housing Authority

	6835 Capistrano Way	1	1 - 3 bedroom house	80%
	4320 Emerson	1	1-2 bedroom house	80%
REMOVED	1733 7th Street		REMOVED	
REMOVED	1705 7th Street		REMOVED	

	1725 7th Street	4 of 10 units*	4 - 1 bed. 1 bath	60%AMI
	3553 Lou Ella Lane	15 of 28 units	24- 1 bed. 1 bath	60%AMI
			4 - 2 bed. 1 bath	60%AMI
	3426 Lime Street	1	1-3 bedroom house	60%AMI
	2350 University Avenue		2 – 2 bedroom house	120%AMI
*Effective as of the date the City issues a Certificate of Occupancy for the Property.	2825 – 2841 Mulberry Street	10	10 – 1 bedroom house	50% AMI

Tenant's monthly rent including a reasonable utility allowance shall not exceed Low-Income rents, 60% of area median income (AMI) pursuant to Section 92.252 of the HOME Regulations and any successors, or the AMI noted above. Tenants will be required to pay their monthly rent as identified in their rental agreement until the tenant has been relocated by the Housing Authority of the City of Riverside's relocation consultant. The Agent will be required to submit an annual compliance report to the Owner by June 30th that includes tenants annual household income, household size, monthly rent, rent subsidy and utility allowance.

Note:* 1725 7th Street consists of 10 apartment units, 2 of which are" out of service" and are not available for rental due to their advanced state of disrepair.

Additional Work to be Completed:

4320 Emerson \$ 85, 000 will be added to the property management budget by the Housing Authority. The Property Manager will use these funds to complete necessary life- safety, property maintenance and 4320 Emerson improvements.

6835 Capistrano \$85, 000 will be added to the property management budget by the Housing Authority. The Property Manager will use these funds to conduct necessary life-safety and property maintenance and improvements to this property.

The Property Manager must obtain three bids for the requested rehabilitation work on the above properties. Property manager compensation for above described maintenance and rehabilitation work for 4320 Emerson and 6835 Capistrano shall not exceed 10% of the contractor' s invoiced amount.

**EXHIBIT“G-2” - Amendment #4
AGENT COMPENSATION**

Management Fees:

Per Unit: \$40.00

Where shared housing occurs (Emerson & Capistrano), one unit shall be one-bedroom.
For Example: A two bedroom house shall be counted as two units.

Monthly Management Fee:

Prior to the City’s issuance of a Certificate of Occupancy for 2825 – 2841 Mulberry Street, the management fee shall be based on an inventory of 105 units, as follows:

- 133 original units
- 33 units demolished
- 5 added shared housing units
 - 12 units @ 1705 7th Street
 - 21 units @ 1733 7th Street
 - 4320 Emerson— 2 bedrooms @\$ 40 each
 - 6835 Capistrano— 3 bedrooms @\$ 40 each
- New Unit Total as of August 2015: 105 units
- Adjusted Monthly Management Fee: \$ 4,200

After the City’s issuance of a Certificate of Occupancy for 2825 – 2841 Mulberry Street, the management fee shall be based on an inventory of 115 units, as follows:

- 105 original units
- 10 added transitional housing units
- New Unit Total as of 2019: 115 units
- **AMENDED Monthly Management Fee: \$4,640**