



# City Council and Housing Authority Memorandum

*City of Arts & Innovation*

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**TO: HONORABLE MAYOR, CITY COUNCIL,  
AND HOUSING AUTHORITY MEMBERS** **DATE: MAY 19, 2020**

**FROM: OFFICE OF HOMELESS SOLUTIONS** **WARD: 5**

**SUBJECT: THIRD AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT  
AND SECOND AMENDMENT TO HOME INVESTMENT PARTNERSHIPS  
PROGRAM LOAN AGREEMENT TO AMEND THE PROJECT TIMELINE AND  
EXTEND THE AGREEMENT TERM WITH HABITAT FOR HUMANITY  
RIVERSIDE, INC. THROUGH JULY 31, 2020 FOR THE DEVELOPMENT OF  
FOUR SINGLE-FAMILY HOUSES LOCATED AT 3753 MYERS STREET**

## **ISSUE:**

Approve the Third Amendment to Disposition and Development Agreement and Second Amendment to HOME Investment Partnerships Program Loan Agreement to amend the project timeline and extend the Agreement term through July 31, 2020 with Habitat for Humanity Riverside, Inc. for the development of four single-family houses located at 3753 Myers Street.

## **RECOMMENDATIONS:**

That the City Council:

1. Approve the Second Amendment to HOME Investment Partnerships Program Loan Agreement to amend the project timeline and extend the Agreement term through July 31, 2020 with Habitat for Humanity Riverside, Inc. for the development of four single-family houses located at 3753 Myers Street.
2. Authorize the City Manager, or his designee, to execute the Second Amendment to HOME Investment Partnerships Program Loan Agreement with Habitat for Humanity Riverside, Inc., including making minor and non-substantive changes as necessary.

That the Housing Authority:

1. Approve the Third Amendment to Disposition and Development Agreement to amend the project timeline and extend the Agreement term through July 31, 2020 with Habitat for Humanity Riverside, Inc. for the development of four single-family houses located at 3753 Myers Street.
2. Authorize the Executive Director, or his designee, to execute the Third Amendment to Disposition and Development Agreement with Habitat for Humanity Riverside, Inc., including making minor and non-substantive changes as necessary.

## **BACKGROUND:**

On July 28, 2015, the Housing Authority of the City of Riverside approved a Disposition and Development Agreement (DDA) and the City Council approved a HOME Investment Partnerships Program (HOME) Loan Agreement for \$150,000 with Habitat for Humanity Riverside, Inc. (Habitat) for the development of 12 single-family homes on Housing Authority-owned property located at 3753 Myers Street in Riverside.

On July 25, 2017, the City Council and Housing Authority amended the Project to reduce the residential development size from 12 houses to four houses to be more consistent with neighborhood densities, and the veterans funding originally envisioned for the Project conflicted with federal HOME regulations, which resulted in the project being redesigned.

On June 5, 2018 the City Council and Housing Authority amended the Agreements to reflect additional time needed to complete project entitlements and to negotiate a property accessibility workout with an adjacent landowner.

## **DISCUSSION:**

The project has been delayed numerous times due to a peripheral land use issues that have been resolved. Habitat for Humanity is completing the filing of a legal map required for the Project to begin construction. Habitat for Humanity has requested an extension to the DDA and HOME Agreements to extend the term through July 31, 2020, which will provide them with the time needed to complete the development of four homeownership units. Two of the units have been reserved for qualified very low income veteran homebuyers. The homebuyers have already been identified and screened for eligibility requirements.

## **FISCAL IMPACT:**

There is no fiscal impact related to the term extension being requested in the Third Amendment to Disposition and Development Agreement and Second Amendment to HOME Investment Partnerships Program Loan Agreement.

Prepared by: Michelle Davis, Housing Authority Manager  
Certified as to  
availability of funds: Edward Enriquez, Chief Finance Officer/City Treasurer  
Approved by: Moises Lopez, Deputy City Manager  
Approved as to form: Gary Geuss, City Attorney

## **Attachments:**

1. Third Amendment to Disposition and Development Agreement
2. Second Amendment to HOME Investment Partnerships Program Loan Agreement