



City Council Memorandum

Housing Authority Memorandum

City of Arts & Innovation

**TO: HONORABLE MAYOR, CITY COUNCIL,
AND HOUSING AUTHORITY MEMBERS**

DATE: OCTOBER 6, 2020

FROM: OFFICE OF HOMELESS SOLUTIONS

WARD: 5

**SUBJECT: FOURTH AMENDMENT TO DISPOSITION AND DEVELOPMENT AGREEMENT
AND THIRD AMENDMENT TO HOME INVESTMENT PARTNERSHIPS
PROGRAM LOAN AGREEMENT WITH HABITAT FOR HUMANITY RIVERSIDE,
INC. FOR THE DEVELOPMENT OF FOUR SINGLE-FAMILY HOUSES LOCATED
AT 3753 MYERS STREET EXTENDING THE TERM OF BOTH AGREEMENTS TO
DECEMBER 31, 2020**

ISSUE:

Approve the Fourth Amendment to Disposition and Development Agreement and Third Amendment to HOME Investment Partnerships Program Loan Agreement with Habitat for Humanity Riverside, Inc. for the development of four single-family houses located at 3753 Myers Street extending the term of both Agreements to December 31, 2020.

RECOMMENDATIONS:

That the City Council:

1. Approve a Third Amendment to HOME Investment Partnerships Program Loan Agreement with Habitat for Humanity Riverside, Inc. extending the term of the agreement to December 31, 2020; and
2. Authorize the City Manager, or his designee, to execute the Third Amendment to HOME Investment Partnership Program Loan Agreement with Habitat for Humanity Riverside, Inc., including making minor and non-substantive changes.

That the Housing Authority:

1. Approve the Fourth Amendment to Disposition and Development Agreement with Habitat for Humanity Riverside, Inc. extending the term of the agreement to December 31, 2020; and
2. Authorize the Executive Director, or his designee, to execute the Fourth Amendment to Disposition and Development Agreement with Habitat for Humanity Riverside, Inc., including making minor and non-substantive changes.

BACKGROUND:

The Housing Authority has previously approved a Disposition and Development (DDA) Agreement and the City Council approved a HOME Investment Partnerships Program (HOME) Loan Agreement with Habitat for Humanity Riverside, Inc. (Habitat) for the development of four single-family homes on Housing Authority-owned property located at 3753 Myers Street in Riverside. These agreements have subsequently been extended to account for a prolonged legal workout with an adjacent property owner and offsite design issues.

DISCUSSION:

The project has again been further delayed due to onsite worker safety issues, staff shortages, and materials availability problems related to the COVID-19 pandemic. In order to finally complete the project, the DDA and HOME Loan Agreements need to be amended to extend their terms to December 31, 2020, although it is expected that the Project will be completed much sooner. The extensions are needed to complete the Project, process final billings, sell the property to income eligible first-time homebuyers who have already been identified and close-out the Project in the Federal expenditure system for HOME Program. These Amendments are extensions for time only; no additional funding is required.

FISCAL IMPACT:

There is no fiscal impact related to amending the DDA and HOME Loan agreements for additional time.

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

Attachments:

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