

# 2550 FOURTEENTH STREET DISPOSITION AND DEVELOPMENT

#### Office of Homeless Solutions

City Council & Housing Authority Board December 15, 2020

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# **2550 FOURTEENTH STREET**

In 2006, the former Redevelopment Agency purchased a 5,532 sq. ft. property with Housing set-aside funds. Property was transferred to the Housing Authority in 2012 when Redevelopment was dissolved.



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# PROJECT PARTNERSHIP

- 1. Mayor's Love Your Neighbor Initiative
  - a) Path of Life Ministries, Inc.
  - b) Harvest Church
  - c) K&S Construction
  - d) Housing Authority
- 2. Goal: Permanent Supportive Housing for very low income individuals



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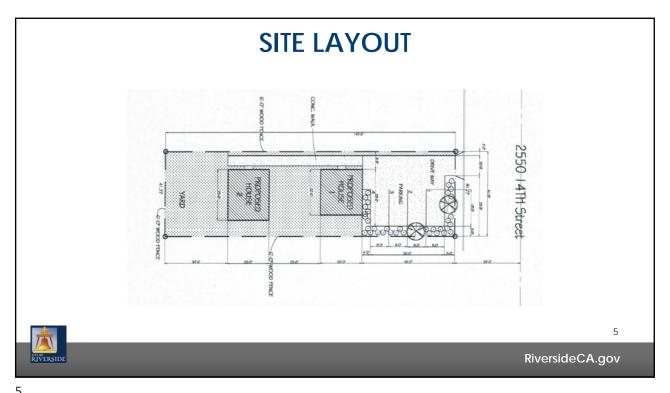
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# **PORJECT SITE**



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# **PROJECT**

- 1. One single-family house and accessory dwelling unit
- 2. Bungalow style elevation
- 3. One 2-bedroom (500 sq. ft.) and one 1-bedromm (400 sq. ft.)
- 4. Refer tenants from Riverside County Continuum of Care Coordinated Entry System, local preference
- 5. 55-year affordability covenant



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# **FINANCING**

Uses of Funds	
Land Acquisition and Closing Costs	\$3,500
Construction (950 Sq. Ft. @ \$95 Sq. Ft.) (w/ 20% prevailing)	\$108,300
Onsite/Offsite (6970 Sq. Ft. @ \$17)	\$78,421
Professional Fees/Soft Costs (@4.5%)	\$4,873
School Fees (952 Sq. Ft. x \$4.10)	\$3,895
Permit Fees	\$19,450
Contingency (@ 5% of Hard Costs)	\$5,415
Contractor Fee (@8% of hard costs)	\$8,664
Total Development Cost	\$232,518

Sources of Funds	
Housing Authority Land	\$1
Purchase	#60.000
Measure Z Impact Fees	\$60,000
Harvest Church	\$100,000
Community Donations	\$72,517
Total Development Cost	\$232,518



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### **ASSEMBLY BILL 1486**

- 1. March 11, 2020: Issued a Notice of Availability of excess housing land inventory
- 2. Housing Authority received four proposals
- 3. June 2, 2020: Housing Authority Board approved the AB 1486 disposition process, allowing the currently contemplated project to move forward



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#### **RECOMMENDATIONS**

#### That the Housing Authority:

- 1. Conduct a public hearing in accordance with the California Health and Safety Code Section 34312.3 for the conveyance of 2550 Fourteenth Street to Path of Life Ministries, Inc., for the sum of \$1;
- 2. Approve a Disposition and Development Agreement with Path of Life Ministries, Inc. for the sale of Housing Authority property located at 2550 Fourteenth Street for \$1 for the development of a single-family cottage home and an accessory dwelling unit; and
- 3. Authorize the Executive Director, or his designee, to execute the Disposition and Development Agreement with Path of Life Ministries, Inc., including making minor and non-substantive changes.



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#### RECOMMENDATIONS

#### That the City Council:

- Approve an Agreement for the Payment of Development and Regional Impact Fees for the Construction of Permanent Supportive Housing with Path of Life Ministries to provide \$60,0000 of Measure Z funds to cover impact fees;
- 2. Authorize the City Manager, or his designee, to execute the Agreement for the Payment of Development and Regional Impact Fees for the Construction of Permanent Supportive Housing with Path of Life Ministries, Inc., including make non-substantive changes; and
- 3. Authorize the expenditure of up to \$60,000 from Measure Z Fund CD-Homeless Services Professional Services Account No. 8002001-421000 to cover impact fees related to the development of a single-family house and accessory dwelling unit located at 2550 Fourteenth Street.



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