

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

August 20, 2024

FROM

CARRIE HARMON, Director, Community Development and Housing Department

SUBJECT

Letter of Support for the Refinance of the Olen Jones Senior Apartments in Rancho Cucamonga

RECOMMENDATION(S)

1. Approve the Letter of Support to Olen Jones Senior Apartment Community, L.P. for the refinance of the Olen Jones Senior Apartments in Rancho Cucamonga.
2. Authorize the Director of the Community Development and Housing Department to execute the Letter of Support and make any necessary non-substantive modifications, upon consultation with County Counsel, to enable the funding application execution by Olen Jones Senior Apartment Community, L.P. for the Olen Jones Senior Apartments in Rancho Cucamonga refinance.
3. Direct the Director of the Community Development and Housing Department to transmit the executed Letter of Support to the Clerk of the Board of Supervisors within 30 days of execution.

(Presenter: Carrie Harmon, Director, 382-3983)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Promote the Countywide Vision.

Create, Maintain and Grow Jobs and Economic Value in the County.

Ensure Development of a Well-Planned, Balanced, and Sustainable County.

Provide for the Safety, Health and Social Service Needs of County Residents.

Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.

FINANCIAL IMPACT

Approval of this item does not impact Discretionary General Funding (Net County Cost) and has no effect on the Community Development and Housing Department (CDH) budget.

BACKGROUND INFORMATION

On December 3, 2002 (Item No. 16), the Board of Supervisors (Board) approved the County's HOME Investment Partnerships Program (HOME) Loan Agreement No. 02-1244 (Agreement) with Olen Jones Senior Apartment Community, L.P. (Borrower) and the managing general partner, Northtown Housing Development Corporation, in the amount of \$1,575,000 for the development of the Olen Jones Senior Apartment Project (Project).

The Project is located at 7125 Amethyst Avenue in Rancho Cucamonga and consists of 96 affordable rental units, which includes 11 units that are restricted to very low-income households earning 50% or less of the area median income, for a term of 55 years. The Project received a Certificate of Occupancy on August 14, 2008, and was placed in service soon thereafter.

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The County HOME loan is secured by a Deed of Trust on the property. The term of the HOME Loan is 55 years with a 3% interest rate commencing on November 30, 2019. The outstanding loan balance as of December 2023 was \$1,430,811.98, which is comprised of a principal balance of \$1,323,022.06 and interest balance of \$107,789.92. The original loan amount was \$1,575,000.

The Borrower desires to refinance the Project to address critical deferred maintenance, improve accessibility, and make health and safety upgrades to enhance the quality of life for residents and extend the property's useful life. The Project meets State requirements for the refinancing and rehabilitation of affordable housing projects, which requires 15 years of performance and compliance.

As an additional lender to the Project, the State's refinancing application requires a Letter of Support from the County to demonstrate the County's backing of the Borrower's application to refinance the Project's existing debt. This support will enable the Borrower to apply to the California Debt Limit Allocation Committee (CDLAC) for an allocation of Federal Tax Credits and Tax-Exempt Bonds. The CDLAC application is due on August 27, 2024. If the application is approved, the Agreement will be updated and submitted to the Board for approval.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Suzanne Bryant, Deputy County Counsel, 387-5455) on July 30, 2024; Finance (Christopher Lange, Deputy Director, 386-8393) on July 31, 2024; and County Finance and Administration (Cheryl Adams, Deputy Executive Officer, 388-0238) on August 6, 2024.

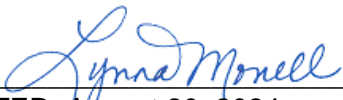
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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Curt Hagman Seconded: Joe Baca, Jr.
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: August 20, 2024



cc: File - Community Development & Housing w/ attach
jm 08/27/2024