

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

March 15, 2022

FROM

GARY HALLEN, Director, Community Development and Housing

SUBJECT

Installation of Solar Energy Systems at the Vista Del Cielo Affordable Housing Development and Partnership Transfer Consent

RECOMMENDATION(S)

1. Authorize a request from National Community Renaissance of California to install a photovoltaic energy system at the Vista Del Cielo affordable housing development in the City of Montclair.
2. Authorize the Limited Partnership Interest transfer from Hudson Mills Family L.P. and Hudson SLP LLC to National Community Renaissance of California, and The Southern California Housing Development Corporation of the Inland Empire, both California nonprofit public benefit corporations.
3. Authorize the Chief Executive Officer, Deputy Executive Officer of Community Revitalization, or Community Development and Housing Director, upon consultation with County Counsel, to undertake any ancillary actions or execution of any related ancillary documents to allow for the installation of the solar energy system.

(Presenter: Gary Hallen, Director, 387-4411)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally Responsible and Business-Like Manner.

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

FINANCIAL IMPACT

This item will not result in the use of Discretionary General Funding (Net County Cost); any cost will be borne by the property owner.

BACKGROUND INFORMATION

National Community Renaissance of California (National CORE) is seeking approval by the Board of Supervisors (Board) to install a solar energy system at the Vista Del Cielo (Project) affordable housing development located in the City of Montclair. National CORE is also requesting consent to authorize the transfer of the limited partnership interest by and among Hudson Mills Family L.P., a Delaware Limited Partnership (Investment Partnership), Hudson SLP LLC, a Delaware Limited Liability Company (Special Limited Partner), which together with the Investment Partnership are referred to as the Limited Partners to National CORE and The Southern California Housing Development Corporation of the Inland Empire, a California nonprofit public benefit corporation as Managing General Partner (General Partner).

**Installation of Solar Energy Systems at the Vista Del Cielo Affordable Housing Development and Partnership Transfer Consent
March 15, 2022**

On June 22, 2010 (Item No. 49), the Board approved the HOME Regulatory Agreement (Agreement) for \$2,000,000 with the General Partner to construct a 50-unit affordable rental housing at the Project. This Project improved the surrounding neighborhood and made available 50 new one, two, and three-bedroom affordable rental housing units to very low and low-income persons in the County.

The Limited Partners is requesting to exit the partnership because they no longer receive tax credits. The General Partner's purchase of the Limited Partner investors' interest is the most common form of investor exit. Pursuant to the Agreement, National CORE will continue to keep the Project economically viable and available to residents earning 50% or less of the area medium income until 2066.

Currently, the Project does not have a solar energy system in place. To allow for the installation of these systems, National CORE must secure Board approval to comply with Section 612 in the HOME Loan Agreements.

The installation of the solar energy systems will generate greater cashflow for the Project by reducing operating expenses. National CORE will pass some of the cost savings to the tenants (cost savings on their electricity bill), thereby reducing their housing costs and increasing their housing stability. It is anticipated that tenants will recognize a savings of \$212,336 in energy costs over a 20-year period.

National CORE has received financial assistance from:

- Solar on Multifamily Affordable Housing Program (SOMAH), which provides financial incentives to substantially offset the cost of installation of photovoltaic energy systems (solar energy systems) on multifamily affordable housing units that deliver clean power and credits on energy bills.
- Self-Generation Incentive Program, which provides rebates for the installation of energy storage technology.
- Virtual Net Metering, which applies credits to the electric accounts on the community solar property.

National CORE is a full-service affordable housing and social service organization with a portfolio of nearly 9,000 affordable apartments in five states. The company has pledged to design and develop its communities to combat the effects of climate change. As part of its long-term plan, National CORE is in the process of installing solar energy systems at many of their communities, which is estimated to reduce the carbon footprint and address the negative effects of climate change by an additional 40%. The Project is part of that overall plan, which includes the installation of solar energy systems, and is anticipated to begin in March 2022 and be completed in the fall of 2022.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Suzanne Bryant, Deputy County Counsel, 387-5455) on February 24, 2022; Finance (Kathleen Gonzalez, Administrative Analyst, 387-5412) on February 25, 2022; and County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-5423) on February 28, 2022.

**Installation of Solar Energy Systems at the Vista Del Cielo Affordable
Housing Development and Partnership Transfer Consent
March 15, 2022**

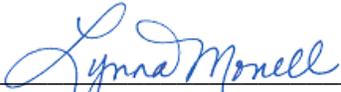
Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Janice Rutherford Seconded: Joe Baca, Jr.

Ayes: Col. Paul Cook (Ret.), Janice Rutherford, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: March 15, 2022



cc: File- Community Development and Housing
LA 03/17/2022