

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

August 22, 2023

FROM

CARRIE HARMON, Director, Community Development and Housing Department

SUBJECT

Letter of Support to National Community Renaissance of California for Refinance of the Citrus Grove Apartments in Rialto

RECOMMENDATION(S)

1. Approve the Letter of Support to National Community Renaissance of California for the refinance of the Citrus Grove Apartments in Rialto.
2. Authorize the Director of the Community Development and Housing Department, upon consultation with County Counsel, to execute the Letter of Support, make necessary non-substantive modifications, and execute all required certificates and related ancillary documents to enable the execution of the funding application by National Community Renaissance of California, for the Citrus Grove Apartments in Rialto.
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

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

BACKGROUND INFORMATION

On June 14, 2005 (Item No. 43), the Board of Supervisors (Board) approved HOME Loan Agreement No. 05-514 with National Community Renaissance of California (National CORE) (Borrower), formerly known as Southern California Housing Development Corporation of the Inland Empire (SCHDCIE), and Inland Valley Housing Partners, L.P. to provide a HOME loan in the amount of \$3,000,000 for the acquisition and rehabilitation of the Citrus Grove of Rialto (Apartments) formerly known as the Willow/Winchester Project, located at 1453 North Willow in Rialto. The Apartments consist of 160 condominium units that were converted into affordable rental housing units and assures the long-term affordability of 40 units to very low-income

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households for the term of 55 years. The Apartments received a Certificate of Occupancy on August 14, 2008, and was placed in service soon thereafter.

The County HOME loan is secured by a Deed of Trust on the property. Approval of this action will not affect any term of the existing HOME Loan Agreement. The term of the HOME Loan is 55 years, at 3% interest. The loan balance as of December 31, 2022, was \$4,616,042, based on the original loan amount of \$3,000,000 and interest of \$1,616,042.

The Borrower desires to renovate the Apartments by completing critical deferred maintenance, addressing accessibility issues, and making health and safety updates to improve the quality of life of the residents and extend the useful life of the property. The estimated rehabilitation construction cost is \$10,200,000.

The State allows for refinancing and rehabilitation of affordable housing projects after 15 years of compliance. As part of the refinancing application process with the State for the Apartments, a letter from the County, as another lender, is required to indicate the County's support of refinancing the Apartments. When HOME Loan Agreement No. 05-514 was approved by the Board in 2005, authority was not delegated to any position to approve or execute any documents related to the loan or financing. As a result, Board approval is required for any actions related to the HOME Loan.

The Letter of Support indicate County support of the application to refinance the existing debt of the Apartments and will allow 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 September 6, 2023. If the application is successful in securing funding, any modification to HOME Loan Agreement No. 05-514 will be presented 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 August 9, 2023; Finance (Christopher Lange, Administrative Analyst, 386-8393) on August 10, 2023; and County Finance and Administration (Cheryl Adams, Deputy Executive Officer, 388-0238) on August 14, 2023.

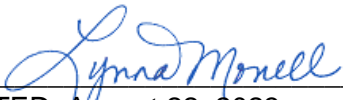
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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

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

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: August 22, 2023



cc: CDH - Harmon w/attach for sign
File – w/agree
CCM 08/28/2023