



**Contra
Costa
County**

To: Board of Supervisors

From: John Kopchik, Director, Conservation & Development Department

Date: August 6, 2019

Subject: Consent to Change of Limited Partner of Bella Monte Apartments, Bay Point

RECOMMENDATION(S):

CONSENT to the transfer of limited partner interest in Bella Monte Apartments in Bay Point from NEF Assignment Corporation, tax credit investor, to 112 Alves Lane, Inc., a nonprofit affiliate of Resources for Community Development and APPROVE and AUTHORIZE the Conservation and Development Director, or designee, to execute documents necessary to effectuate the consent.

FISCAL IMPACT:

No fiscal impact.

BACKGROUND:

On April 1, 2004, the County loaned \$680,000 of Community Development Block Grant (CDBG) funds, \$698,000 of HOME Investment Partnership Act (HOME) funds and \$370,000 of Housing Opportunities for Persons with HIV/AIDS (HOPWA) funds to Resources for Community Development (RCD) for the construction of Bella Monte Apartments, a 52-unit affordable housing development located at 2410 Willow Pass Road in Bay Point. In addition to County funds, the development was financed with low income housing tax credits (LIHTC). RCD formed Bella Monte Apartments, L.P., a limited

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY

☐ RECOMMENDATION OF BOARD

ADMINISTRATOR

COMMITTEE

Action of Board On: **08/06/2019** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor

Candace Andersen, District II
Supervisor

Diane Burgis, District III Supervisor

Karen Mitchoff, District IV
Supervisor

Federal D. Glover, District V
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: August 6, 2019

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Stephanie Mello, Deputy

Contact: Kristen Lackey (925)
674-7888

cc:

partnership, as the ownership entity of the development with RCD serving as managing general partner and

BACKGROUND: (CONT'D)

NEF Assignment Corporation (NEF) serving as the tax credit investor.

The development will reach the end of its 15-year tax credit syndication period on December 31, 2019. RCD proposes that the tax credit investor withdraw from the partnership and transfer its ownership interest to a nonprofit affiliate of RCD, 112 Alves Lane, Inc. The transfer will allow RCD to obtain full ownership of the development without the time, cost and complexity associated with dissolving the partnership and transferring the development to RCD. The transfer requires prior written consent of the County pursuant to Section 4.14(b) of the County CDBG/HOME/HOPWA Loan Agreement for Bella Monte. Staff recommends the Board consent to this transfer.

CONSEQUENCE OF NEGATIVE ACTION:

If the Board does not consent to the transfer then the project will incur substantial legal and process fees related to a property transfer.