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When Recorded Mail to:  
**Agency Secretary**  
**The Redevelopment Agency**  
**of the City of Riverside**  
**3900 Main Street, 5<sup>th</sup> Floor**  
**Riverside, CA 92522**

Project: La Sierra Home  
 Improvement Rebate Program  
 APN 142 443 024

**DOC # 2002-275203**

05/23/2002 08:00A Fee:NC

Page 1 of 11

Recorded in Official Records  
 County of Riverside

Gary L. Orso  
 Assessor, County Clerk & Recorder



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**AGREEMENT AND COVENANTS,  
 CONDITIONS AND RESTRICTIONS  
 AFFECTING REAL PROPERTY**

THIS AGREEMENT AND COVENANTS, CONDITIONS AND RESTRICTIONS AFFECTING REAL PROPERTY ("Agreement") is entered into this 22nd day of May, 2002 (the "effective date") by and between the City of Riverside Redevelopment Agency, ("Agency") and John B. and Myrtle O. Palatas ("Owner"), with reference to the following facts:

**RECITALS**

WHEREAS, the Agency has approved and implemented a Home Improvement Rebate Program ("Rebate Program") for the purpose of providing financial assistance to low and moderate income households within the Riverside Neighborhoods Revitalization Program area; and

WHEREAS, the Rebate Program will be funded with money from the Agency's low and moderate income housing set aside fund as described in Health and Safety Code Section 33334.2 ("Fund"); and

WHEREAS, the Rebate Program is consistent with the City of Riverside's ("City") General Plan and is consistent with the intent of Community Redevelopment Law as set forth in Health and Safety Code Sections 33000, et sequitur; and

WHEREAS, the Owners are the owners of the certain real property known as 3954 Rancho Ninos Court, in the City of Riverside, County of Riverside, California, (the "Property"), which is described on Exhibit A attached hereto and incorporated herein by reference, which will benefit from the Rebate Program; and

WHEREAS, Health and Safety Code Section 33334.3(f) provides that the Agency must require the recordation of covenants, conditions and restrictions on the very low, low and moderate income dwelling units which are new or substantially rehabilitated with money from the Fund; and

WHEREAS, the Agency and the Owner have agreed to impose certain continuing obligations related to and on the Property; and

WHEREAS, the Agency has an interest in insuring that the very low and low and moderate income dwelling units in the Riverside Neighborhoods Revitalization Program area are properly maintained and that the Riverside Neighborhoods Revitalization Program area remains attractive.

NOW, THEREFORE, in consideration of the promises contained below and other good and sufficient consideration, the receipt of which is hereby acknowledged, the Agency and the Owners agree that the Property against which these covenants, conditions and restrictions are recorded shall be held, sold and conveyed subject to the following covenants, conditions and restrictions.

1. City of Riverside Redevelopment Agency Supports Affordable Housing. The Agency supports Affordable Housing for very low and low to moderate income residents within the City of Riverside and specifically, in the Riverside Neighborhoods Revitalization Program area as set forth in regulations published by the California Department of Housing and Community Development pursuant to Health and Safety Code Section 50093.

2. Definitions. For purposes of this Agreement, the following definitions shall apply:

(a) "Affordable housing cost" shall have the same meaning as set forth in Health and Safety Code § 50052.5, as that section is amended or substituted.

(b) "Dwelling unit" means a single family residential home as originally constructed or as reconstructed, altered or replaced.

(c) "Persons and families of low or moderate income" shall have the same meaning as set forth in Health and Safety Code § 50093, as that section is amended or substituted.

(d) "Very low income households" shall have the same meaning as set forth in Health and Safety Code § 50105, as that section is amended or substituted.

3. Term. Except as otherwise provided by Health and Safety Code § 33334.3, the terms, covenants, conditions and restrictions contained in this Agreement shall be effective for a period of three years following the effective date.

4. Disclosure Requirements. Prior to the execution of a purchase and sale agreement between the Owners and any subsequent purchaser of the Property, and prior to the execution of a purchase and sale agreement between any subsequent owner of the Property and any subsequent purchasers, the Owners or subsequent owner (as may be applicable) shall disclose, in writing, to each purchaser the fact that the property has been improved by the La Sierra Home Improvement



Rebate Program and that the requirements stated in this Agreement will remain in effect for the term described in Section 3.

5. Monitoring by the Agency. Pursuant to Health and Safety Code § 33418 the Owners and each subsequent purchaser, transferee or owner of the Property shall be required to submit an annual report to the Agency containing the following information:

- (i) whether there was a change in ownership of the dwelling unit from the prior year; and
- (ii) whether the dwelling unit was leased or rented during the prior year; and
- (iii) if there was a change in ownership, the income and family size of the new owners; and

On or about January 1st of each calendar year, the Agency will mail a form to the record owner of the Property requesting the information set forth in Section 5. The Owners of the Property shall complete the form and return it to the Agency within thirty (30) calendar days after receipt of the request from the Agency.

6. Binding on the Successors in Interest. The Owners hereby covenant and agree that their heirs, successors and assigns, and every successor in interest to the Property, or any part thereof, shall comply with each and every term, covenant, condition and restriction contained in this Agreement. The covenants, conditions and restrictions of this Agreement shall run with the land, any other provision of law notwithstanding, and shall be enforceable by the Agency in an action for specific performance against the Owners and their successors in interest.

7. Maintenance of Property.

(a) The Owners and all subsequent grantees, transferees, owners, lessees and tenants of the Property shall maintain the Property, dwelling unit, improvements, landscaping and fixtures in good repair and shall keep the Property free from any accumulation of debris or waste materials, consistent with the customary practice and so as not to create a nuisance, or violate any provision of the City of Riverside Municipal Code.

(b) All exterior painted surfaces shall be maintained at all times in a clean and presentable manner, free from chipping, cracking and defacing marks. Any such defacing marks shall be cleaned or removed within the time as set forth in subparagraph (d) below.

(c) The Owners shall at all times maintain the front exterior, visible side exteriors and yard in a clean, safe and presentable manner, free from defacing marks or any disrepair. The Owners shall maintain and/or repair the front exterior or rear or visible side yard and exterior of the dwelling unit.



(d) All graffiti and defacement of any type, including marks, words and pictures, must be removed and any necessary painting or repair completed within one (1) week of their creation or within one (1) week after notice to Owners.

(e) Driveways. All driveways must be paved and maintained with impervious material in accordance with the City Municipal Code.

8. Remedies for Breach. Upon breach of any of the covenants, conditions or restrictions set forth in this Agreement, the Agency may exercise any and all remedies available to it at law or equity. These remedies include, without limitation, an action for injunctive relief or specific performance. In the event of a breach of the covenant regarding maintenance of the Property, as set forth in Section 7 of this Agreement, the Executive Director of the Agency, or his or her designee, shall give written notice to the Property Owners (as listed on the last equalized tax assessment roll) describing the conditions constituting the breach, demanding that such conditions be corrected, and notifying the Owners of the Agency's intention to enter upon the Property to correct such conditions. At any time within fifteen (15) calendar days following the giving of the notice described in the previous sentence, the Owners may request, in writing, a hearing to determine whether the conditions of the Property or the dwelling unit constitute a breach of Section 7 of this Agreement. This hearing shall be held within thirty (30) calendar days following the Agency's receipt of written request from the Owners and shall be held before the Executive Director, or his or her designee. At this hearing, the Owners shall be allowed to introduce evidence in support of his or her position and shall have the right to question those witnesses and evidence against him or her. A transcript or electronic recording of the hearing may be made. At the end of this hearing, the Executive Director, or his or her designee, shall make a finding, based upon substantial evidence in the record of the hearing, as to whether the conditions of the dwelling unit or Property constitute a breach of the terms of Section 7 of this Agreement. The decision of the Executive Director shall be final and there shall be no right of appeal to the City Council.

If the Executive Director, or his or her designee finds that the conditions of the dwelling unit or the Property constitute a breach of Section 7 of this Agreement, then the Agency shall so notify the Owners in writing and the Owners shall have five (5) calendar days following this written notice to correct or abate such breach. If the conditions are not corrected to the reasonable satisfaction of the Executive Director, then the Agency, its employees or its agents may enter upon the Property to remedy and abate the conditions creating the breach. The Agency shall be entitled to recover its costs of remedying the conditions creating the breach, including, without limitation, administrative, overhead, and engineering costs. Such costs shall become a lien upon the Property pursuant to Civil Code § 2881, immediately due and payable, and the Agency may collect such costs through the appropriate civil proceedings.

The provisions of this Section 8 are supplemental to all other legal rights and remedies available to either the Agency or the City. Nothing in this Agreement shall modify, limit or circumscribe any other rights, remedies and powers available to either the Agency or the City, including, but not limited to, Agency's right to at any time withhold the balance of any rebate amount if Owners work is found to be substantially out of compliance with the purpose or requirements of this grant by the Executive Director of the Redevelopment Agency.



9. Affordability Restrictions and Nondiscrimination.

Owners covenant and agree that the residents within the Property are persons or families of very low or low to moderate income whose income does not exceed one hundred twenty percent (120%) of the Riverside County Median Income. The Riverside County Median Income shall mean the median income for a family of four (4) residing in Riverside County, (specifically within the Riverside Neighborhoods Revitalization Program area) as set forth in regulations published by the California Department of Housing and Community Development pursuant to Health and Safety Code Section 50093.

There shall be no discrimination against or segregation of any person, or any group of persons, on account of race, color, religion, creed, national origin, ancestry, physical handicap, age, marital status, sex or sexual orientation, in the sale, transfer, use, occupancy or enjoyment of the Property or the dwelling unit; nor shall the Owners or any persons claiming under or through the Owners establish or permit any such practice or practices of discrimination or segregation with reference to the Property or the dwelling unit. Notwithstanding the term limit contained in Section 3 of the Agreement, the covenants and restrictions contained in this Section 9 shall remain in perpetuity.

10. Agency as Beneficiary. The Agency is the beneficiary of the terms and provisions of this Agreement and the covenants, conditions and restrictions running with the land, both for and in its own right, and for the purposes of protecting the interests of the community and other parties, public or private, for whose benefit this Agreement and the covenants, conditions and restrictions running with the land have been provided. This Agreement and the covenants shall run in favor of the Agency without regard to whether the Agency has been, remains, or is an owner or has any interest in the Property or in any other parcel in the City. The Agency shall have the right, but not the obligation, to exercise all rights and remedies and to maintain any actions at law or in equity or any other proceedings to enforce the covenants, conditions and restrictions contained in this Agreement.

11. Nonwaiver. The failure of Agency to enforce any one or more of the covenants, conditions or restrictions contained in this Agreement on any one or more occasions shall not constitute a waiver of the Agency's right to enforce the covenants, conditions and restrictions in the future.

12. Entire Agreement. This document contains the entire Agreement between the Agency and the Owners with respect to those matters contained herein. This Agreement may be modified only by a writing duly subscribed by both the Agency and the Owner. Notwithstanding the foregoing, the parties acknowledge that additional covenants, conditions and restrictions may be recorded against the Property in the future. In the event of a conflict or inconsistency between the provisions of this Agreement and such future covenants, conditions and restrictions, the document providing the greater measure of control, greater length of time, or more stringent requirement shall govern and supersede the other document to the extent of such conflict or inconsistency. Other than with respect to a conflict or inconsistency, the provisions of this Agreement and the provisions of



any future covenants, conditions and restrictions shall be interpreted and enforced to give effect to the requirements of both documents.

13. Attorney's Fees. In the event that the Agency or Owners, or any successor in interest of the Owners, brings and action or begins any other proceeding to contest the validity of this Agreement or to enforce any of the covenants, conditions or restrictions in this Agreement, the prevailing party in any such action or proceeding shall be entitled to recover from the other party its reasonable costs and expenses associated with such action or proceeding. These costs and expenses shall include, but shall not be limited to, the costs of arbitration, reasonable attorneys fees, expenses associated with the action or proceeding, and the costs of all administrative proceedings and hearings. If payable by the Owners or their successors in interest, such costs and expenses shall become a lien upon the Property pursuant to Civil Code § 2881, et seq., immediately due and payable, and that lien may be enforced by the Agency through the appropriate civil proceedings.

14. Interpretation. The Section headings used in this Agreement are for the purposes of convenience only and shall not in any way limit, alter or amend the express terms of each Section. Words used in the singular will include the plural and visa versa.

15. Severability. If any term, provision, or section of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, the Agency and the Owners agree that invalid portion or section may be severed from the remainder of this Agreement and the remainder of the Agreement may be enforced in its entirety.

16. Nuisance. The result of every act or omission whereby the covenants contained in this Agreement are violated in whole or in part is hereby declared to be and constitutes a nuisance. Every remedy allowable at law or equity, against a nuisance, either public or private, shall be applicable against every such result and may be exercised by the Agency without derogation of the Agency's rights under law.

17. Covenant Against Partition. The Owners hereby covenant for themselves and for their heirs, representatives, successors and assigns, that it will not institute legal proceedings or otherwise seek to effect partition of their right and interest in the Property or the burdens running with the land as a result of this Agreement.

18. Notices. All notices required to be given by this agreement shall be in writing and shall be personally delivered or mailed by first class registered or certified mail. All notices given by mail shall be deemed delivered seventy-two (72) hours after the date and time of deposit, as shown on a receipt issued by the United States Postal Service. All notices to the owner shall be addressed to the Property. All notices to the City shall be addressed to City of Riverside Redevelopment Agency, 3900 Main Street, Riverside, California 92522. Owners, address for notices may be changed only by written notice given in accordance with the terms of this provision.

19. Cumulative Remedies. The remedies herein provided for breach of the covenants contained in this Agreement shall be deemed cumulative, and none of such remedies shall be deemed exclusive.



20. Authority. The individuals executing this Agreement and the instruments referenced herein on behalf of Owner each represent and warrant that they have the legal power, right and actual authority to bind Owner to the terms and conditions hereof and thereof.

**AGENCY:**  
REDEVELOPMENT AGENCY OF  
THE CITY OF RIVERSIDE,

By: *Robert C. Wales*  
ROBERT C. WALES, P.E.  
Executive Director

**OWNER:**

By: *John B. Palatas*  
John B. Palatas  
By: *Myrtle O. Palatas*  
Myrtle O. Palatas

**ATTEST:**

*Kelly Palmer*  
Agency Secretary

**APPROVED AS TO FORM:**

*Kathleen M. Gonzalez*  
Assistant City Attorney



**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California }  
 County of Riverside } ss.

On May 7, 2002, before me, Irma Serrato, Notary Public,  
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")  
 personally appeared John B. Palatas and Myrtle O. Palatas,  
Name(s) of Signer(s)

personally known to me  
 proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.



Place Notary Seal Above

WITNESS my hand and official seal.

*Irma Serrato*  
 Signature of Notary Public

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: Agreement & Covenants, Conditions & Restrictions Affecting Real Property

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

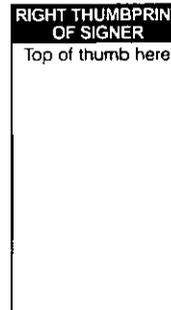
Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer**

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

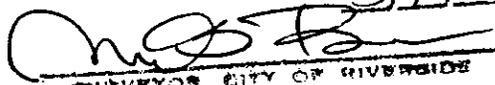


CIA 775

**EXHIBIT A**  
Covenant and Agreement  
APN 142 443 024

THAT CERTAIN REAL PROPERTY IN THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS;

LOT 35 OF 20866-3, AS SHOWN BY MAP ON FILE IN MAP BOOK 162, PAGE 12-14 THEREOF, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

DESCRIPTION APPROVAL 5.10.02  
  
SHERIFF, CITY OF RIVERSIDE



**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

State of California }  
County of Riverside } ss.

On MAY 22, 2002 before me, JANIS LOWRY NOTARY PUBLIC  
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")  
personally appeared ROBERT C. WALES and KELLY PALMER  
Name(s) of Signer(s)

personally known to me  
 proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.  
Janis Lowry  
Signature of Notary Public

**OPTIONAL**

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_  
Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_  
Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer**

Signer's Name: \_\_\_\_\_  
 Individual  
 Corporate Officer --- Title(s): \_\_\_\_\_  
 Partner ---  Limited  General  
 Attorney-in-Fact  
 Trustee  
 Guardian or Conservator  
 Other: \_\_\_\_\_  
Signer Is Representing: \_\_\_\_\_



CJA 775

**ILLEGIBLE NOTARY SEAL DECLARATION  
(GOVERNMENT CODE 27361.7)**

I certify under penalty of perjury that the notary seal on the document to which this statement is attached reads as follows:

Name of Notary Janis Lowry

Commission No. 12 34438

Date Commission Expires Oct 9, 2003

Date and Place of Notary Execution 5/23/02, Riverside, Ca

Date and Place of This Declaration 5/23/02, Riverside, Ca

Angela Hudson  
Signature

\_\_\_\_\_  
Firm Name (if any)

