

**TOWN OF
APPLE VALLEY, CALIFORNIA**

AGENDA MATTER

Subject Item:

HAPPY TRAILS VILLAS UPDATE

Background and Summary Statement:

Pursuant to a request made by Mayor Pro-Tem Bob Sagona, staff as well as the developer, is prepared to provide an update on the Happy Trails Villas Project and will be on hand to answer any questions of the Council.

On June 22, 2010, Council approved an Owner Participation Agreement (OPA) between the Town and AVHTV to facilitate the acquisition and construction of the 34-unit Happy Trails Villas condominium project. Subsequently, AVHTV closed escrow on the subject property on July 2, 2010. At this time, the developer is making preparations to move forward with the implementation of the project.

AVHTV has entered into contracts with a soils engineer, local architect, civil engineer, Home Owners Association (HOA) attorney, and HOA budget preparer. AVHTV is in the process of obtaining approval of the final map which includes recordation, to be followed by obtaining approvals at the state level for a condominium home owners association. A topographic survey as well as a soils engineer report was recently completed and a draft grading and drainage plan is anticipated to be completed by next week. In addition, the developer is in the process of negotiating with Apple Valley Ranchos to resolve issues relating to the water line and retaining wall.

AVHTV is also researching alternatives to provide available financing to potential buyers in this currently tight lending market. AVHTV, in partnership with Town staff, recently held a local lenders workshop to obtain input into financing alternatives and to make our lenders aware of the pending project.

AVHTV will also partner with Neighborhood Housing Services (NHS) to provide homebuyers with necessary homeownership counseling prior to assuming homeownership responsibilities. NHS recently partnered with the Town to provide foreclosure counseling assistance to residents of Apple Valley.

As part of their presentation, AVHTV plans to bring an updated schedule of performance along with information regarding projected sales prices.

Recommended Action:

No action is required at this time.

Proposed by Economic Development & Housing Div. Item Number _____

T. M. Approval: _____ Budgeted Item Yes No N/A