City of Arts & Innovation

News Release

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City of Riverside to Seek $35 Million in State Funds to Convert Motel Into Affordable Housing and Permanent Supportive Housing

City to review potential project in greater depth if state funds are awarded

RIVERSIDE, Calif. – The Riverside City Council voted Tuesday (5/20) to seek $35 million in Homekey+ Program funding from the State of California to convert the 114-room Quality Inn at 1590 University Avenue into studio apartments that would provide 20 units of affordable housing and 94 units of permanent supportive housing for people experiencing or at risk of homelessness.

The proposed project – University Terrace Homes – would create 94 units for individuals earning 30 percent of the area median income, or AMI, (currently $21,500 for a single-person household) and 20 additional units for those earning 50 percent of AMI ($35,900). Eighteen of the total 114 units would be reserved for individuals with mobility disabilities. If approved, the project would undergo further planning and community input before moving forward.

The Council also approved a memorandum of understanding allocating approximately $9 million in funding from multiple sources to the Riverside Housing Development Corp. (RHDC), which would acquire, convert and operate the site. RHDC, which currently manages 94 affordable units nearby and has deep roots in the Eastside neighborhood, would oversee ongoing operations.

“This is a smart and compassionate investment in the community,” said Councilmember Clarissa Cervantes, who represents the ward where the project is located. “Safe, stable housing is foundational to public health, neighborhood safety, and opportunity. Projects like these ensure that Riverside leads with both heart and strategy.”

The proposed apartments would be self-contained units with kitchens, bathrooms and living areas. The gated property would have 24-hour security, onsite case management and wraparound services. Staff – including a social service coordinator, five case managers, maintenance personnel, and a full-time property manager – would live and work onsite.

Mayor Patricia Lock Dawson noted that Tuesday’s vote was to pursue funding, not to approve the project in its final form.

“With a project of this magnitude and impact, we must be thoughtful and cautious,” Lock Dawson said. “The success of housing initiatives like this one hinges on the details, so we will move forward with care and precision, if funded, to ensure the project is a good fit for the neighborhood and works for everyone.”

City records show more than 300 individuals are currently on Riverside’s waiting list for permanent supportive housing units, including more than 100 unhoused seniors ages 55 and up.

The Quality Inn site has been on the market for sale since 2023. During a 15-month span, the property generated 97 calls for police service, ranging from grand theft auto to aggravated assault.

The City must submit its application for Homekey+ funding by the end of this month. Results could be announced as early as next month.

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