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**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Economic Development Agency **SUBMITTAL DATE:** January 24, 2003

SUBJECT: Notice Of Finding Of No Significant Impact (FONSI) On The Environment And Notice Of Intent To Request Release Of Funds for the El Solano Apartments Housing Project

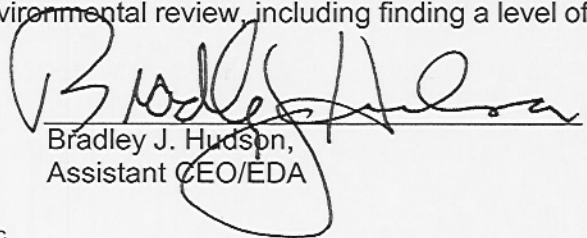
RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Find and determine that a Request for Release of Funds is not an action which may significantly effect the quality of the environment; and
- 2) Authorize the Chairman of the Board to sign a Request for Release of Funds to be filed with the United States Department of Housing and Urban Development (HUD).

BACKGROUND:

The environmental effects of activities carried out with HOME Investment Partnership Act grant funds must be assessed in accordance with the provisions of the National Environmental Policy Act of 1969 (NEPA) and the related authorities listed in HUD's implementing regulations at 24 CFR parts 50 and 58. These regulations specify procedures for conducting environmental review, including finding a level of clearance and requesting release of funds.

(Cont'd)



Bradley J. Hudson,
Assistant CEO/EDA

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FINANCIAL DATA:

CURRENT YEAR COST: \$1,000,000

NET COUNTY COST: \$0

BUDGET ADJUSTMENT: NO

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

SOURCE OF FUNDS: HOME Investment Partnerships Act Grant Funds

ANNUAL COST \$0

IN CURRENT YEAR BUDGET: Yes

FOR FY: 2002/2003

C.E.O. RECOMMENDATIONS:

APPROVE

County Executive Officer Signature: _____

Bronda King

Department Recommendation: Consent Policy

Per Executive Office: Consent Policy

Prev. Agn. Ref.

Dist.
4th

AGENDA NO.

3.7

FORM APPROVED
COUNTY COUNSEL

JAN 29 2003

Handwritten signature

Form 11

January 24, 2003

Notice Of Finding Of No Significant Impact (FONSI) On The Environment And Notice Of Intent To Request Release Of Funds For El Solano Apartments Housing Project
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BACKGROUND (Cont'd):

EDA has completed applicable review procedures and has evaluated the potential effects of the project on the environment. The attached documentation was prepared pursuant to NEPA and the environmental procedures cited in 24 CFR 58.5 and 58.6, and EDA has found that the project, "El Solano Apartments" would not have a significant effect on the environment.

PROJECT DESCRIPTION:

The applicant, Coachella Valley Housing Coalition, a non-profit housing developer, is proposing to use up to \$1,000,000 in HOME funds for the acquisition of an existing apartment complex in the City of Blythe. The complex, known as the El Solano Apartments, consists of 40 single-room occupancy (SRO) units. The complex is currently owned by the Housing Authority of the County of Riverside and has a 70% occupancy rate. The current mortgage on the property is approximately \$960,000.

The complex, which was built in the 1930s and expanded periodically through the 1950s, appears to be eligible for listing in the National Register of Historic Places, with a local level of significance, owing to its architectural merits and its symbolic value to the community as a well-recognized landmark. The complex will be upgraded and the units will be refurbished after acquisition has been completed. No new construction or expansion of the existing complex is proposed, and the facility's density will remain the same.

The restoration of the complex to its historic landmark status requires extensive upgrading of the building in accordance with regulations included in various building codes, as well as the Secretary of the Interior's Standards for Rehabilitation. The rehabilitation is expected to cost \$2,382,635. Funds for the rehabilitation will come from sources of funding other than HOME. The units in the complex will be rented to very-low and low-income persons.

The total cost for all acquisition and rehabilitation activities is estimated to be \$3,382,635. The applicant intends to use \$1,000,000 in HOME funds to cover for the cost of acquisition and incidental fees related to the purchase. The applicant intends to apply to various Local, State, and Federal funding programs, including the City of Blythe Redevelopment Agency, the State Tax Credit Program, and HUD's Preservation Grant Program, for the balance of the funds. A total of 11 units will be designated as HOME units.

FISCAL IMPACT:

The project will be funded with HOME Investment Partnership Act grant funds, and there will be no impact on the County's General Fund.