

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

507



FROM: Economic Development Agency **SUBMITTAL DATE:** April 8, 2003

SUBJECT: Notice Of Intent To Request Release Of Funds for the El Solano Apartments

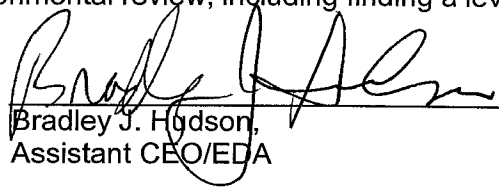
RECOMMENDED MOTION: That the Board of Supervisors:

- 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. Hodgson,
 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

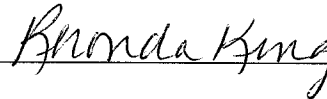
SOURCE OF FUNDS: HOME Investment Partnerships Act Grant Funds

ANNUAL COST \$0
IN CURRENT YEAR BUDGET: Yes
FOR FY: 2002/2003

C.E.O. RECOMMENDATIONS:

APPROVE

County Executive Officer Signature: _____



Department Recommendation: Consent Policy
Per Executive Office: Consent Policy

Prev. Agn. Ref.
Item 3.7 – Feb. 11, 2003
Item 9.2 – March 11, 2003

Dist.
4th

AGENDA NO.

3 . 8

FORM APPROVED
COUNTY COUNSEL

APR 9 2003



BACKGROUND (Cont'd):

EDA has completed applicable review procedures and has evaluated the potential effects of the project on the environment.

On February 11, 2003, the Board had approved the Notice of Finding of No Significant Impact (FONSI) and the submission of the Notice of Intent to Request Release of Funds. Since all the funding years where the funds were to be drawn were not identified, the notice of intent approved by HUD was only for the FY 2002 allocation. By taking this new action, the Board is requesting for the release of funds covering the FY2001 through FY2003 HOME Funds allocation.

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.

NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS

April 12, 2003

John Tavaglione, Chairman
Riverside County Board of Supervisors
County Administrative Center
4080 Lemon Street, 5th Floor
Riverside, California 92501

(909) 351-0700 Extension 350 Tom Fan

On or about April 22, 2003 the County of Riverside will submit a request to the U.S. Department of Housing and Urban Development (HUD) Los Angeles Field Office for the release of HOME Investment Partnerships Program funds under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended, to undertake a project known as El Solano Apartments (4HM02-002) for the purpose of acquiring an existing apartment complex in the City of Blythe in the amount of \$1,000,000 in HOME funds.

The activities proposed comprise a project for which a Finding of No Significant Impact on the environment was published on **January 25, 2003**. An Environmental Review Record (ERR) that documents the environmental determinations for this project is on file at the Economic Development Agency/Housing Authority, 5555 Arlington Avenue, Riverside, CA 92504 and may be examined or copied weekdays 8:A.M to 5:00P.M.

PUBLIC COMMENTS

Any individual, group, or agency may submit written comments on the ERR to the Economic Development Agency, 5555 Arlington Avenue, Riverside, California 92504 to the attention of Tom Fan. All comments received by **April 20, 2003** will be considered by the County of Riverside prior to authorizing submission of a request for release of funds.

RELEASE OF FUNDS

The County of Riverside certifies to the HUD Los Angeles Field Office that John Tavaglione in his capacity as Chairman of the Riverside County Board of Supervisors consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. HUD's approval of the certification satisfies its responsibilities under NEPA and related laws and authorities and allows the Coachella Valley Housing Coalition to use Program funds.

OBJECTIONS TO RELEASE OF FUNDS

The HUD Los Angeles Field Office will accept objections to its release of fund and the County of Riverside's certification for a period of fifteen days following the anticipated submission date or its actual receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer of the County of Riverside;

(b) the County of Riverside has omitted a step or failed to make a decision or finding required by HUD regulations at 24 CFR part 58; (c) the grant recipient has committed funds or incurred costs not authorized by 24 CFR Part 58 before approval of a release of funds by HUD; or (d) another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58, Sec. 58.76) and shall be addressed to the HUD Los Angeles Field Office, 611 W. 6th Street, Ste 800, Los Angeles, CA 90017. Potential objectors should contact the HUD Environmental Officer, HUD Los Angeles Field Office (tel 213-894-8000 or via fax 213-894-8122) to verify the actual last day of the objection period.

Robert Field, Principal Development Specialist
