

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

902



FROM: Economic Development Agency SUBMITTAL DATE: April 23, 2003

SUBJECT: NOTICE OF FINDING OF NO SIGNIFICANT IMPACT (FONSI) ON THE ENVIRONMENT
AND NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS FOR CATHEDRAL CITY GROUP 5
SELF-HELP HOMES

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 Partnerships 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

(Continued on next page)

Bradley J. Hudson
Bradley J. Hudson,
Assistant CEO/EDA

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FINANCIAL DATA:

CURRENT YEAR COST: \$0

ANNUAL COST \$0

NET COUNTY COST: \$0

IN CURRENT YEAR BUDGET: Yes

BUDGET ADJUSTMENT: No

FOR FY: 2002/2003

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

SOURCE OF FUNDS: HOME Investment Partnerships Act Grant Funds

C.E.O. RECOMMENDATIONS:

APPROVE

County Executive Officer Signature:

Bronda King

Department Recommendation: Consent Policy
Per Executive Office: Consent Policy

Prev. Agn. Ref.
3.21 - June 18, 2002
3.19 - Nov. 6, 2001

Dist.
4th

AGENDA NO.

3 1

COUNTY COUNSEL

MAY 01 2003

BY K. Carter

Form 11

April 23, 2003

**NOTICE OF FINDING OF NO SIGNIFICANT IMPACT (FONSI) ON THE ENVIRONMENT AND
NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS FOR CATHEDRAL CITY GROUP 5
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and 58. These regulations specify procedures for conducting environmental review, including finding a level of clearance and requesting release of funds.

On November 6, 2001 the Board approved the Notice of Finding of No Significant Impact on the Environment and the submission of Notice of Intent to Request Release of Funds for all ten identified scattered lots in the City of Cathedral City ("City"). One of the lots, 33-800 Rancho Vista, was later identified not to be suitable for the Self-Help Program. The current conditions of this lot require a substantial amount of in-fill material and would necessitate an expensive retaining wall. CVHC has proposed to replace this lot with a new lot located on 32561 Cathedral Canyon. All ten vacant lots and the replacement lot were owned by the City. Since all the funding years from which the funds were to be drawn were not identified, the Release of Funds approved by HUD was only for the FY 2001 allocation. By taking this new action, the Board is requesting a Release of Funds covering the FY 2000 through FY2002 HOME Funds allocation for all nine existing lots and the replacement lot.

This environmental review is an amendment to an existing HOME Project for the purpose of switching one of the lots. 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, "Cathedral City Group 5 Self-Help Homes" would not have a significant effect on the environment.

PROJECT DESCRIPTION:

Coachella Valley Housing Coalition (CVHC), a non-profit community housing development corporation is proposing to use up to \$200,000 in HOME funds to provide assistance to homebuyers participating in the Cathedral City Group 5 Self-Help Homes. The project includes three and four bedroom, two bathroom homes of approximately 1,320 square feet with tile roofs, steel framing, high efficiency appliances, two-car garages, central air conditioning, and sodded front lawns.

In the self-help program, families work in groups to help each other with the construction of their homes. Each participating family contributes an average of 20 hours per week of labor for 10 to 12 months to complete all the houses. Their participation in this program provides excellent opportunity to not only build their own homes but also to gain valuable construction experience and skills. All families in the project will have incomes below 80 percent of the County median income. The 2003 HUD Adjusted Income for 80% Median Income for 4- person household are \$40,800.

The estimated development cost for the project is approximately \$1,416,700. Funding to the project includes a Wells Fargo Bank construction loan of \$814,000. The City Redevelopment Agency donated all 10 lots valued at \$140,000. In addition, the State of California Department of Housing and Community provided \$100,000 for technical assistance in Self-Help Housing Program Funds. Homebuyers will contribute a total value of \$142,700 in sweat equity. All ten houses will be HOME assisted.

FISCAL IMPACT:

There will be no impact on the County's General Fund.