

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

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FROM: Economic Development Agency

SUBMITTAL DATE:
January 5, 2004

SUBJECT: Notice of Finding of No Significant Impact (FONSI) On the Environment, and Notice of Intent to Request Release of Funds for Desert Hot Springs Family Apartment 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 and Environmental Assessment 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)

FORM APPROVED
COUNTY COUNSEL
JAN 12 2004
BY *[Signature]*
Environmental Concurrence

[Signature]
Bradley J. Hudson, Assistant CEO/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 1,000,000.00	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2003/04

SOURCE OF FUNDS: HOME Investment Partnerships Act Grant Funds	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: **APPROVE**

County Executive Office Signature *Bronda King*

Dep't Recomm.: Consent Policy
Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: **District: 5th** **Agenda Number:**

**ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD**

3.22

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 proposed Desert Hot Springs Family Apartment project 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 in the development and construction of a housing project for families in the City of Desert Hot Springs. The project site, approximately 10.33 acres is on the southside of Two Bunch Palms Trail and west of Verbena Drive. The vacant site will be developed for a total of 94 units in two phases. The first phase calls for a development of a 60-unit family housing complex on a 6.97 acres with the balance of the land to be developed for 34 units in the second phase. The site Assessor Parcel Numbers are 656-040-034 and 656-040-036. The first phase of the project will have 12 one-bedroom, 16 two-bedroom, 19 three-bedroom, and 12 four-bedroom units. One additional three-bedroom will be set-aside for manager's unit.

The applicant intends to use up to \$1,000,000 in HOME Funds to cover for the architectural, engineering, building and impact fees, as well as soft and hard dwelling construction costs. Other funding sources that are being sought by the applicant include \$1,473,500 from United States Department of Agriculture (USDA) Section 515 Program and \$300,000 Federal Home Bank Board Affordable Housing Program (AHP). The developer will defer its developer fee in the amount of \$185,919. A tax credit equity contribution is being sought in the amount of \$7,345,635. The total development costs are estimated to be \$9,696,000. A minimum of 11 HOME assisted units will be set aside.

County Counsel has reviewed and approved the attached Environmental Assessment and Request for Release of Funds. Staff recommends that the Board approve the attached documents.

FISCAL IMPACT:

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