

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

519



FROM: Economic Development Agency

SUBMITTAL DATE:
February 14, 2005

SUBJECT: Loan Agreement for the use of HOME Investment Partnerships Act Funds for Desert Hot Springs Self-Help Group 6

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached Loan Agreement for the use of \$150,000 in HOME Program Funds between the County of Riverside and Coachella Valley Housing Coalition;
2. Authorize the Chairman of the Board of Supervisors to sign the attached Agreement; and
3. Authorize the Assistant County Executive Officer, Economic Development Agency (Assistant CEO/EDA) to take all necessary steps to implement this Agreement, including signing subsequent essential and relevant documents.

Departmental Concurrence

BACKGROUND: Coachella Valley Housing Coalition (CVHC), a certified non-profit Community Housing Development Corporation, is proposing to use \$150,000 in HOME funds in the development and construction of ten (10) new single family homes for low income families in the City of Desert Hot Springs.

Bradley J. Hudson
Assistant County Executive Officer/EDA

BJH:RZ:TF
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11\DHSG6-Agmt.doc

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 150,000.00	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0.00	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0.00	For Fiscal Year:	2004/2005

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA:

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

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

Prev. Agn. Ref.: 3.16 – 11/23/2004 **District:** 5th **Agenda Number:**

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

3.5

BACKGROUND (Cont'd):

The homes will be built through the mutual self-help construction method on 10 scattered residential lots located in an existing urban residential neighborhood.

PROJECT DESCRIPTION:

The proposed project will consist of 5 three-bedroom homes and 5 four-bedroom homes. The project is located on scattered in-fill sites throughout the City of Desert Hot Springs and within the blocks bounded by Flora Avenue to the North, Two Bunch Palms Trail to the South, Ocotillo Road to the East, and Cactus Drive to the West.

The HOME funds will be used to assist the developer for planning submittal fees, soft and hard construction expenses. Other funding sources that are being sought by the applicant include a \$1,270,525 loan from U.S. Department of Agriculture (USDA) and a \$100,000 loan fund from the Redevelopment Agency of the City of Desert Hot Springs. In addition, the USDA will provide \$133,000 for technical assistance in Self-Help Technical Assistance Grant Funds and Homebuyers will contribute a total value of \$172,375 in sweat equity. The total development costs are estimated to be \$1,692,500.

On November 23, 2004, the Board approved the Notice of Finding of No Significant Impact on the Environment, and the County has received authorization from the U.S. Department of Housing and Urban Development to incur costs. The project activity was included in the 2004-2005 One Year Action Plan.

County Counsel has reviewed and approved the attached Loan Agreement as to form. Staff recommends that the Board approve the Agreement.

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.