

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

709



**FROM:** Economic Development Agency

**SUBMITTAL DATE:**  
November 3, 2005

**SUBJECT:** Notice of Finding of No Significant Impact (FONSI) on the Environment and Notice of Intent to Request Release of Funds for Arroyo de Paz II 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 affect 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)

Departmental Concurrence

RZ:JC:JV:ER:TF:EW

F:\Shared\CDBG\HOME\2005 HOME-TOM FICVHC - Arroyo phase II\Arroyo II rrof-f11.doc

*Robin Zimpfer*

Robin Zimpfer  
Assistant County Executive Officer/EDA

<b>FINANCIAL DATA</b>	<b>Current F.Y. Total Cost:</b>	\$500,000	<b>In Current Year Budget:</b>	Yes
	<b>Current F.Y. Net County Cost:</b>	\$ 0	<b>Budget Adjustment:</b>	No
	<b>Annual Net County Cost:</b>	\$ 0	<b>For Fiscal Year:</b>	2005/2006

**COMPANION ITEM ON BOARD OF DIRECTORS AGENDA:** No

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

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

**APPROVE**

*Lisa Brandt*

FORM APPROVED COUNTY COUNSEL

NOV 17 2005

**County Executive Office Signature**

BY *L. A. J. [Signature]*

Policy

Consent

Dept's Recomm.:  
Per Exec. Ofc.:

<b>Prev. Agn. Ref.:</b>	<b>District:</b> 5th	<b>Agenda Number:</b>
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ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

3.8

**BACKGROUND (Cont'd):**

The Economic Development Agency (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 Arroyo de Paz II 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 \$500,000 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 3.12 acres, is on the southside of Two Bunch Palms Trail and west of Verbena Drive. The vacant site, the second phase of a two phase housing project, will be developed for a total of 34 units consisting of 2 one-bedroom, 12 two-bedroom, 12 three-bedroom, and 8 four-bedroom units. The first phase, which is currently under construction, called for a development of a 60-unit family housing complex on 6.97 acres. The site Assessor Parcel Numbers are 656-040-034 and 656-040-036.

The applicant intends to use up to \$500,000 in HOME funds to cover 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 \$500,000 from the city of Desert Hot Springs, a \$1,000,000 USDA 538 Loan, a limited partner tax credit equity contribution of \$6,115,808, and \$36,483 of GP Equity. The total development costs are estimated to be \$8,152,291. 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.