

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

103



FROM: Economic Development Agency

SUBMITTAL DATE:
November 21, 2005

SUBJECT: Amendment to the 2005-2006 One-Year Action Plan

RECOMMENDED MOTION: That the Board of Supervisors amend the Home Investment Partnerships Act (HOME) New Construction section of the 2005-2006 One-Year Action Plan to include the Arroyo de Paz II project.

BACKGROUND:

The One-Year Action Plan (2005-2006) identifies, on an annual basis, the funded activities which address housing and community development needs in Riverside County's Consolidated Plan. Pursuant to 24 CFR 91.505, any substantial change to the Action Plan will require an amendment. A substantial change occurs if the use of funds is changed from one eligible activity to another; a new, proposed activity is funded that was not described in the Consolidated Plan; or a funded activity described in the Consolidated Plan is changed in purpose, scope, or location.

(Continued on next page)

Robin Zimpfer

RZ:JC:JV:ER:TF:EW

Robin Zimpfer
Assistant County Executive Officer/EDA

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

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: No

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

FORM APPROVED COUNTY COUNSEL

Ana Brandt

DEC 08 2005
BY *Lee A. ...*

County Executive Office Signature

- Policy
- Policy
- Consent
- Consent
- Dept't Recomm.:
- Per Exec. Ofc.:

Prev. Agn. Ref.:

District: 5th

Agenda Number:

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

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BACKGROUND (Cont'd):

The Economic Development Agency (EDA) published a thirty (30) day notice on November 18, 2005, notifying the public of its intent to amend the One-Year Action Plan.

Amendment Actions:

The amendment to the One-Year Action plan will add the Arroyo de Paz II project to the list of funded activities. The activity includes a loan of HOME funds to the developer in the amount of \$500,000 for eligible soft and hard construction costs and/or costs related to the permanent financing of the project as follows:

Project Name: Arroyo de Paz II

Funding Source: HOME Investment Partnership Act Program Income.

The County anticipates receiving \$1,150,000 of HOME program income. \$500,000 will be designated for the Arroyo de Paz II project.

Activity: Housing – New Construction

Type: Loan of HOME funds (\$500,000) from Program Income

Eligibility: 24 CFR 92.205(a)(1)

Benefit: Housing for low- and very low-income households (11 HOME units)

PROJECT DESCRIPTION:

The proposed project was identified in the approved Action Plan 2005-2006 under Desert Hot Springs Family Apartments for \$1,000,000 in HOME loan funds. Due to the phasing of the project, only 60 units of the originally proposed 94 will be built in the first phase. The second phase of the 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 project site is located in the city of Desert Hot Springs on the south side of Two Bunch Palms Trail and west of Verbena Drive.

The loan of HOME funds will secure the affordability of 11 HOME restricted units. The total development costs are estimated to be \$8,152,291. The developer has received federal and state tax credit reservation from the Tax Credit Allocation Committee.

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.