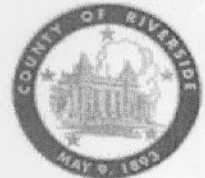


**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

221



FROM: Economic Development Agency

SUBMITTAL DATE:
April 15, 2005

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 Self Help Group 6.

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 of Supervisors 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).

Departmental Concurrence

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 and 58. These regulations specify procedures for conducting environmental review, including finding a level of clearance and requesting release of funds.

BJH:RZ:TF
S:\CDBG\HOME\2004 HOME - TOM FDHS Group 6\Form 11\DHSG6-FONSI2.doc

Bradley J. Hudson
Assistant County Executive Officer/EDA

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: 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**

County Executive Office Signature *Bronda King*

- Policy
- Policy
- Consent
- Consent

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

Prev. Agn. Ref.: 3.5 - 3/22/2005; 3.6 - 12/21/2004; 3.16 - 11/23/2004 **District:** 5th **Agenda Number:**

BACKGROUND (Cont'd):

As part of the NEPA process, EDA advertised all ten scattered sites on November 4, 2004 and the Board had made a Notice of Finding of No Significant Impact (FONSI) on the Environment, and Notice of Intent to Request Release of Funds for this project on November 23, 2004.

It was recently discovered that one of the lot address was incorrectly provided by the City of Desert Hot Springs. In addition, the developer has since requested that one of the lots be dropped from the project. Therefore this action is to re-publish the correct lot address.

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 Self-Help Group 6 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 \$150,000 in HOME funds in the development and construction of nine (9) new single family homes for lower-income families in the City of Desert Hot Springs. The original proposal was for 10 lots and the developer has since requested to drop one lot from the project. The homes will be built through the mutual self-help construction method on 9 scattered residential lots located in an existing urban residential neighborhood. The proposed project will consist of 5 three-bedroom homes and 4 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 applicant intends to use up to \$150,000 in HOME funds for hard construction expenses, technical assistance, and home buyer counseling. Other funding sources that are being sought by the applicant include a \$1,120,000 loan from US Department of Agriculture, a \$95,000 loan from the City of Desert Hot Springs/Redevelopment Agency funds, and \$160,000 from Buyer Sweat Equity. The total development costs are estimated to be \$1,520,000. The selling price for 3 and 4 bedroom is \$168,000 and \$170,000 respectively.

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.