

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

534



FROM: Economic Development Agency

SUBMITTAL DATE:

April 17, 2007

SUBJECT: Loan Agreement for the Use of HOME Funds for North Shore Self-Help Group 4

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached Loan Agreement for the use of \$225,000 in HOME Program Funds between the County of Riverside and Coachella Valley Housing Coalition;
2. Authorize the Chairman to sign the attached Agreement; and
3. Authorize the Assistant County Executive Officer/EDA or designee to take all necessary steps to implement the Agreement to include signing subsequent essential and relevant documents.

BACKGROUND: Coachella Valley Housing Coalition (CVHC), a certified non-profit Community Housing Development Corporation, is proposing to use \$225,000 in HOME funds in the development and construction of nine new, single-family homes for low-income families in the community of North Shore. The homes will be built through the mutual self-help construction method on nine scattered residential lots located in an existing urban residential neighborhood.

(Continued on page 2)

Robin Zimpfer

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Assistant County Executive Officer/EDA

RZ:DL:JV:ER:TF:JG *DR*

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FINANCIAL DATA

Current F.Y. Total Cost:	\$ 225,000	In Current Year Budget:	YES
Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	NO
Annual Net County Cost:	\$ 0	For Fiscal Year:	2006/2007

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 *Sarena Chon*

County Executive Office Signature

Policy

Consent

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

Prev. Agn. Ref.: 3.11-2/06/2007; 3.12-3/27/2007

District: 4th

Agenda Number:

BACKGROUND (Continued):

PROJECT DESCRIPTION:

The proposed project will consist of 4 three-bedroom homes and 5 four-bedroom homes. The three-bedroom homes will be 1,280 square feet in size, and the four-bedroom homes will be 1,320 square feet. The project is located on scattered in-fill sites throughout the community of North Shore within the blocks bounded by Admiral Way to the North, Pleasant View Drive to the South, Wildomar Drive to the East and Sea View Way 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 for the project include a loan of \$926,000 from the U.S. Department of Agriculture (USDA) Section 502 Program and a \$315,000 grant from the California Department of Housing and Community Development Farm Worker Housing Grant Program. In addition, the USDA will provide \$215,100 for technical assistance in Self-Help Technical Assistance Grant Funds and homebuyers will contribute a total value of \$187,000 in sweat equity. The total development costs are estimated to be \$1,653,000. The proposed purchase price for a three-bedroom home is \$182,000 and \$185,000 for a four-bedroom.

On February 6, 2007, 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 2006-2007 One-Year Action Plan.

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