

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

520



FROM: Economic Development Agency

SUBMITTAL DATE:
September 30, 2007

SUBJECT: Finding of No Significant Impact (FONSI) on the Environment and Intent to Request for Release of Funds for the Nuestro Orgullo Self-Help Housing Project

RECOMMENDED MOTION: It is recommended that the Board of Supervisors:

1. Adopt the attached Environmental Assessment report and FONSI for the Nuestro Orgullo Self-Help Housing project based on the findings incorporated in the report and conclude that the project is not an action which may affect the quality of the environment;
2. Approve the attached Request for Release of Funds; and
3. Authorize the Chairman of the Board of Supervisors to execute the Request for Release of Funds and Environmental Assessment Report to be filed with the United States Department of Housing and Urban Development (HUD).

BACKGROUND: The environmental effects of activities carried out with HUD Self-Help Homeownership Opportunity Program (42 USC 12805) 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 58. These regulations specify procedures for conducting environmental review, including finding a level of clearance and requesting release of funds.
(Continued on page 2)

RZ:DL:ER:TF:MM

Robin Zimpfer
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Assistant County Executive Officer/EDA

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FORM APPROVED COUNTY COUNSEL
DATE 10/12/07
BY MICHELLE CLACK
Departmental Concurrence

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	YES
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	NO
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2007/2008

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: NO

SOURCE OF FUNDS: HUD Self-Help Homeownership Opportunity Program	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE
BY: *Jennifer I. Sargent*
Jennifer I. Sargent

County Executive Office Signature

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

Prev. Agn. Ref.:	District: 4th	Agenda Number:
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3.9

BACKGROUND (Continued): The Coachella Valley Housing Coalition (CVHC), a non-profit developer, is proposing to utilize \$975,000 of HUD Self-Help Homeownership Opportunity Program (SHOP) funds to acquire and develop a 60.56-acre parcel leading to the construction of approximately 273 single-family homes in the unincorporated area of the County of Riverside in the community of Mecca on the corner of Lincoln Street and Avenue 63. The Assessor's Parcel Number is 727-030-037.

The intent of the project is to provide 273 new homeownership opportunities to lower-income families in the eastern Coachella Valley. The proposed development will consist of approximately 91 three-bedroom homes and 184 four-bedroom homes. The lots will be developed in two phases and divided in approximately 23 groups of 11-12 families each. All 273 single-family homes will be reserved for households with incomes at or below eighty percent (80%) of the area median income and constructed through CVHC's Mutual Self-Help Program. The program's method of construction enables groups of qualified lower-income families to become first-time homeowners by requiring each family to contribute in the building of each others' homes under skilled supervision. Families working together will earn "sweat equity" towards the down payment of their homes.

CVHC will receive the SHOP funds through the Housing Assistance Council (HAC). The Riverside County Economic Development Agency (EDA) was designated as the "Responsible Entity" for the purposes of NEPA review. The total development cost of the project, including federal, state, and private funding, is estimated at \$60,155,646.

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 Nuestro Orgullo Self-Help Housing Project would not have a significant effect on the environment. Publishing requirements have been met in accordance with 24 CFR 58.43 and 58.45.

The proposed funding sources for acquisition/site development of the project include: \$975,000 from HAC Self-Help Homeownership Opportunity Program (SHOP); \$2,730,000 from HAC Rural Housing Loan Fund; \$1,000,000 from Rural Community Assistance Corporation (RCAC); \$1,750,000 from the California Housing Finance Agency - HELP Program; \$1,500,000 from the Redevelopment Agency (RDA) for the County of Riverside; \$1,500,000 from the State of California Housing Community and Development (HCD) - Farm Worker Housing Grant (FWHG); \$7,192,237 from a Bank Loan; and \$2,803,224 from CVHC. Funding sources for construction of the project include: \$34,331,381 from the U.S. Department of Agriculture (USDA) Rural Development Section 502 Program; and \$6,373,804 from Homebuyer Sweat Equity.

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.