

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



FROM: Economic Development Agency

SUBMITTAL DATE:
January 8, 2008

SUBJECT: Finding of No Significant Impact (FONSI) on the Environment for Cimarron Heights at Dream Homes in Cathedral City

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

1. Adopt the attached Environmental Review Record and FONSI for the Cimarron Heights at Dream Homes project based on the findings incorporated in the report and conclude that the project is not an action which may effect 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 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. (Continued on page 2)

Robin Zimpfer

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RZ:DL:ER:TF:MM:LH
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Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 1,100,000	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: 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

BY: *Jennifer L. Sargent*

Jennifer L. Sargent

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
BY: MICHELLE CLACK
DATE: 01/21/08
Departmental Concurrence

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

Prev. Agn. Ref.: _____ **District:** 4th **Agenda Number:** _____

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.18
Form 11 (Rev 06/2007)

BACKGROUND (Continued): 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 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.

PROJECT DESCRIPTION:

The applicant, Dream Homes Housing Partners, L.P., a California limited partnership, is proposing to use up to \$1,100,000 in HOME funds for the development and construction of an eighty-four (84) unit multi-family apartment complex for low-income families in the community of Dream Homes in the city of Cathedral City in Riverside County. The project site is east of San Antonio Drive, north of Ramon Road, northeast of San Diego Drive and west of the Whitewater Wash floodway. The project site is a combination of three distinct parcels containing a total of 8.16 acres within the community of Dream Homes. Single-family residential homes are located to the north, west and south of the project site. Directly to the east of the project site is the Whitewater Wash floodway and further across the channel is the Cimarron Golf Resort. The Assessor's Parcel Numbers are 677-410-009, 677-331-003, and 677-332-003.

The proposed project will consist of 56 two-bedroom rental units and 27 three-bedroom rental units including one three-bedroom manager's unit. All of the units will be located in six two-story apartment buildings. The apartment complex will include a leasing office, laundry facility, open play areas, a swimming pool and community room. Neighboring the apartment complex as part of the development, west across San Diego Drive, will be a 5,020 square foot community center available to both the residents of Cimarron Heights and the extended community of Dream Homes.

The applicant intends to use up to \$1,100,000 in HOME funds for hard costs to construct the 84-unit multi-family housing complex. Other funding sources that are being sought by the applicant include a \$1,226,000 loan from MMA Financial, Inc.; a deferred developer fee of \$200,000; a loan of \$8,730,894 from the Redevelopment Agency for the City of Cathedral City; a loan of \$6,428,188 from the State of California HCD Multi-family Housing Program (MHP); a loan of \$450,000 from the Affordable Housing Program; and a tax credit equity contribution of \$8,764,020. The total cost of development is estimated to be \$26,899,102.

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.