

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

362



FROM: Economic Development Agency

SUBMITTAL DATE:
June 22, 2009

SUBJECT: Finding of No Significant Impact (FONSI) on the Environment for Pottery Court Apartments in the City of Lake Elsinore

RECOMMENDED MOTION: That the Board of Supervisors:

1. Adopt the attached City of Lake Elsinore's Environmental Assessment Report ("City EA") for the Pottery Court Apartments ("Project") approved by the U.S. Department of Housing and Urban Development ("HUD") on April 29, 2009;
2. Find that the original findings in the City EA are still valid and there is no need for a re-evaluation because a) there are no substantial changes in nature, magnitude or extent of the Project, b) there are no new circumstances or environmental conditions which may affect the Project or have a bearing on its impact, and c) the recipient has not proposed the selection of an alternative not in the original findings;
3. Adopt the attached County of Riverside's EA ("County EA") and FONSI for the 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;
4. Approve the attached Request for Release of Funds ("RROF"); and
5. Authorize the Chairman of the Board of Supervisors to execute the RROF and County EA to be filed with HUD.

(Continued)

Robert Field
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 440,000	In Current Year Budget:	YES
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	NO
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2009/2010

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

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
BY: MICHELLE CLACK
DATE: 6/22/09
Departmental Concurrence

Dept. Recomm.: Consent Policy
Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: _____ **District:** 1 **Agenda Number:** 3.27

BACKGROUND: The environmental effects of activities carried out with Home Investment Partnerships Act ("HOME") 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.

The Riverside County 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.

An Environmental Assessment and Compliance Findings for the Related Laws ("EA") was already completed and approved by HUD when the applicant applied for HOPE VI/Main Street Program funds. EDA has reviewed the EA and found that the original findings are still valid and there is no need for re-evaluation per 24 CFR Part 58.47. EDA's own Environmental Assessment ("County EA") incorporates the original findings made in the EA. EDA recommends adoption of HUD's approved EA along with adopting the County EA.

PROJECT DESCRIPTION:

Bridge Housing Corporation ("Applicant"), a nonprofit public benefit corporation, is proposing to use up to \$440,000 in HOME funds for the development and construction of a 113-unit apartment complex for qualified low-income households, including two resident manager units, in the City of Lake Elsinore in Riverside County. The Project is located on approximately 4.3 acres located at the corner of Sumner and Riley Street. The Project is situated to the east of Langstaff Street, south of West Pottery Street, west of North Spring Street, and north of Sumner Avenue.

The proposed Project will consist of 20 one-bedroom units, 48 two-bedroom units and 45 three-bedroom units. The one-bedroom units are approximately 690 square-feet, the two-bedroom units are approximately 875 square-feet and the three-bedroom units are approximately 1,060 square-feet. The two resident manager units will be three-bedrooms. The residents of the apartment complex will have access to a community building, which will include a great room with a full kitchen, study room and a music room. Additional amenities include a swimming pool, tot lot, laundry facilities, open space, assigned garages, and open space parking.

The Applicant intends to use up to \$440,000 in HOME funds for hard and soft construction expenses. Other funding sources are being sought by the Applicant include a \$4,058,577 loan from the Redevelopment Agency for the City of Lake Elsinore, \$20,000,000 limited partner tax credit equity contribution, \$1,975,000 conventional bank loan, \$1,000,000 from the HUD Main Street Program, and \$300,000 general partner contribution. The total cost of development is estimated to be \$27,773,577.

County Counsel has reviewed and approved as to form the attached Environmental Assessment and Request for Release of Funds. Staff recommends that the Board approved the attached documents.