

STATEMENT OF ACTIVITIES

Proposed Housing Preservation

The County of Riverside (County) is pleased to submit this Housing Preservation Grant (HPG) application to the Rural Housing Service (RHS) to operate a Rural Home Repair (RHR) Program. The proposed program builds on existing efforts to innovatively address the demand for housing rehabilitation and preservation. The proposed program further align with the County's Housing Element, specifically, Action H-14 to continue to advertise and promote home repair programs to reduce displacement risk for low-income households and farmworkers.

The RHR Program will operate in conjunction with the County's existing Home Enhancement Program (HEP), which utilizes Community Development Block Grant (CDBG) funds. To qualify for the RHR Program, eligible homeowners must first apply for and be reviewed under HEP. If eligible under HEP, the homeowner may qualify for the RHR Program. The County will coordinate and leverage CDBG funding to supplement financial assistance for repair and rehabilitation activities for qualifying homeowners. The County currently has a waiting list for HEP, but can add or cross-reference to the list.

The performance of work will be made using HPG funds, in coordination with CDBG funds, and will be completed by a contractor. Following HEP guidelines, the contractor is to be selected through a competitive bid comparison.

Funds will be distributed on a first come, first serve basis, with the anticipation that the County will be able to complete at a minimum 20 homes over two years. Funds will be paid directly to the contractor; no funds will be paid directly to the homeowners.

Process for Selecting Recipients for HPG Assistance

Applicants for repair and rehabilitation activities must complete a HEP application to assess household needs. This application includes documentation of ownership, income verification, and confirms applicant residency.

The qualifying thresholds to select recipients will include:

1. Location: Must be located within a rural area AND in the unincorporated communities or cooperative cities.
2. Income: Must be at or below 80% of area median income (AMI) for the County of Riverside.
3. Homeownership: Must provide proof of ownership.

Once eligibility is confirmed, the County will determine housing preservation needs. County staff will schedule an on-site inspection of the property with the appropriate partner agency and recipients. The partner agency will prepare a Statement of Work, which will describe the problem(s) identified during the on-site inspection of the property, but will prioritize addressing health and safety Issues/systems, exterior improvements, and energy efficiency measures.

However, should the total cost for repairs exceed \$50,000, the application will be denied.

Process for Identifying Potential Environmental Impacts

The County will address any potential environmental and historic preservation concerns, and will obtain all necessary CEQA and NEPA clearances before any work is performed. The County will observe to the reporting requirements outlined in subpart 1944.672 and RD Instruction 2000-FF to the RD office and the State Historic Preservation Office, as applicable.

Development Standard(s) for the Housing Preservation Work

The County will meet USDA-RD standards for rehabilitation of an existing dwelling. The County will also ensure to meet the County's inspection requirements. The County has operated multiple home repair and rehabilitation programs and has consistently met building standards.

Time Schedule for Completing the Program

Funds will be expended over the 2-years following execution of the grant agreement. It is expected that at least 10 homes will be completed each year.

Staffing Required to Complete the Program

The County Department of Housing and Workforce Solutions (HWS) will manage program implementation. Specifically, Susana Orozco, Principal Development Specialist will be responsible for project management, and Grace Escobar, Supervising Development Specialist, along with Miguel Quijada, Development Specialist II will be responsible for project implementation.

Grace alone has more than 10 years of experience in administration and oversight of the County's Home Enhancement Program addressing repair and rehabilitation needs for households with low income throughout the County. Meanwhile, Miguel has 2 years of experience assisting Grace with the program's administration.

Estimated Number of Assisted Very Low- and Low-Income Minority and Nonminority Persons

\$425,000 (or 85 percent of HPG funds) will be used to serve at least 20 households with low- and very low-income. Based upon current program demographic information of the rural areas of the County, it is anticipated to that assistance will be provided mostly to minority-led households.

Geographical Area(s) To Be Served

The County will use HPG funds to serve at least 20 homeowners with low- and very low-income in rural areas of the County, such as the unincorporated communities of Good Hope, Mead Valley, Cabazon, Winchester, Mecca, Thermal, North Shore, Oasis, Lakeland Village, and others.

Annual Estimated Budget

- Annual Budget: \$250,000
- Total Grant Term Budget (two years): \$500,000
- Lump sum Draw: \$500,000

Category	Budget
Personnel	\$ 71,250
Fringe	\$ 0
Contracts	\$ 425,000
Travel	\$ 0
Supplies	\$ 0
Indirect Costs	\$ 3,750
Total	\$ 500,000

Indirect Cost Proposal

The County proposes 15% of HPG funds to be allocated to administrative costs, and an indirect rate used is the de minimus rate of 5%.

Description of the Accounting System

The County will adhere to all uniform administrative requirements, cost principles and audit requirements outlined in 2 CFR Part 200. The County utilizes the Peoplesoft Financials software system to record all transactions according to Generally Accepted Accounting Principles (GAAP), using the modified accrual basis of accounting for governmental funds. The system includes internal controls to ensure accuracy of information and security of assets, and access to entry and approval functions is divided between staff to maintain separation of duties.

Method of Evaluation

The County will report to RD on a quarterly basis regarding program expenditures, activities, and completions. Moreover, at a minimum during each fiscal year, 5 projects of all HPG assisted projects will be selected for a compliance review.

The County will not perform work on rental properties.

Source and Estimated Amount of Other Financial Resources

The County will leverage funds from its Home Enhance Program (HEP) derived from Community Development Block Grant (CDBG) funds. The estimated leverage will be in the amount of approximately \$500,000. Leveraged funds will double the quantity of homes assisted.

The County proposed to award up to \$50,000 in total per recipient, with up to \$25,000 derived from each funding source.

Use of Program Income

The County does not anticipate any program income as expenditures will be awarded as grants to property owners, and paid directly to contractors.

Plan For Disposition of Any Security Instrument

As a result of matching through HEP with CDBG funds, recipients will be required to enter a five (5) year Covenant agreement that: (1) Restricts the use of the property to an affordable single-family dwelling, encumbers the land, and restricts the sale and future loans against the property

for the duration of the agreement; and (2) Requires the property owner to provide continued maintenance of the entire property, interior and exterior, for the duration of the agreement.

Other Information Necessary

N/A

Outreach Efforts Outlined in 7 CFR 1944.671(B).

The County will follow the guidance outlined in 7 CFR 1944.671(b) regarding outreach. The County will undergo a target marketing program, including implementing outreach efforts outlined in 7 CFR 1944.671(b) to encourage homeowners to apply for repair and rehabilitation assistance. The target marketing program will include contacting both the existing HEP waiting list, as well as, outreach to reach the entire geographical areas to be served.

The County will retain records of outreach activities, including any newspaper, radio, or other media used to advertise the RHR Program. The County will also include the nondiscrimination slogan, "This is an equal opportunity program. Discrimination is prohibited by Federal Law" on all print material created to advertise the RHR Program.