



## Legislation Details (With Text)

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**Title:** Actions pertaining to using the Valley Inn located at 933 N. Parkway Drive, Fresno 93728, as an interim low-barrier homeless shelter:

1. Adopt a finding of Categorical Exemption pursuant to Section 15301 of the California Environmental Quality Act (CEQA) guidelines; and
2. Approve a Repair Services Agreement with the Fresno Housing Authority not to exceed \$2,651,648 (District 3)

**Sponsors:** Planning and Development Department

**Indexes:**

**Code sections:**

**Attachments:** 1. Repair Services Agreement (Fresno Housing Authority - Valley Inn)

Date	Ver.	Action By	Action	Result
9/1/2022	1	City Council	ADOPTED	Pass

## REPORT TO THE CITY COUNCIL

**FROM:** JENNIFER CLARK, Director  
Planning and Development Department

**BY:** PHIL SKEI, Assistant Director  
Planning and Development

## SUBJECT

Actions pertaining to using the Valley Inn located at 933 N. Parkway Drive, Fresno 93728, as an interim low-barrier homeless shelter:

1. Adopt a finding of Categorical Exemption pursuant to Section 15301 of the California Environmental Quality Act (CEQA) guidelines; and
2. Approve a Repair Services Agreement with the Fresno Housing Authority not to exceed \$2,651,648 (District 3)

## RECOMMENDATION

Staff recommends the City Council approve a Repair Services Agreement with Fresno Housing Authority to rehabilitate Valley Inn using Homekey 2 funds to serve as an interim low-barrier emergency homeless shelter as part of Project Homekey; and authorize the City Manager to sign the agreement.

## EXECUTIVE SUMMARY

On June 29, 2021, the City of Fresno (City) purchased the Valley Inn, located at 933 N. Parkway Drive, Fresno 93728 to serve as an interim low-barrier emergency homeless shelter as part of Project Homekey. Since receiving a fully executed Homekey 2 award agreement on August 4, 2022, in order to meet the State of California's deadlines, rehabilitation must commence as soon as possible. Fresno Housing Authority has agreed to serve as the City's Developer for this Homekey 2 project. This action will enable the City to replace important mechanical systems and make improvements that will enhance the experience of residents at this shelter.

## **BACKGROUND**

On December 9, 2021, City Council adopted Resolution 2021-317 authorizing staff to submit applications to the California Department of Housing and Community Development's (HCD) second round of funding under the Homekey Program (Homekey 2) for the operational and support services that support sustaining and expanding housing for persons experiencing homelessness. Accordingly, staff submitted an application for the Valley Inn, located at 933 N. Parkway Drive, Fresno 93728, and on July 21, 2022, the City was awarded \$17,672,672 which will be used to repay the \$10,000,000 Sewer Operating Fund, and further rehabilitate and repair this motel to serve as an interim low-barrier emergency homeless shelter. On August 4, 2022, the City's Homekey agreement was fully executed with HCD.

As part of the City's Homekey award for the Parkway Inn was a development budget totaling \$2,651,648 which includes mechanical upgrades, installation of a fire sprinkler system, common space upgrades, enhanced security features, and new furnishings, among other improvements.

Rehabilitation of this motel will not displace any clients and is scheduled to be completed by March 21, 2023, to continue to provide 106 shelter beds for those who are homeless or at risk of homelessness.

## **ENVIRONMENTAL FINDINGS**

Staff has performed a preliminary environmental assessment of this Project and has determined it falls within the Categorical Exemption set forth in CEQA Guidelines Section 15301/Class 1 (existing facilities) which exempts projects involving a negligible or no expansion of an existing facility. This exemption applies because this project involves the purchase of Parkway Inn without expansion of the facility. Staff determined under the CEQA Guidelines this project fits within the definition of existing facilities in Section 15301/Class 1, as Categorically Exempt from further CEQA review. Staff has determined that none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to this project.

## **LOCAL PREFERENCE**

Local preference is not applicable because of the use of State funds.

## **FISCAL IMPACT**

Funding for this agreement will be through the State of California's Project Homekey award to the City of Fresno for this project.

Attachments:

-Repair Service Agreement (Fresno Housing Authority - Valley Inn)