

Regular Council Meeting

January 30, 2025

FRESNO CITY COUNCIL



Supplement Packet

ITEM(S)

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2-N (ID 25-122)

Approve a Second Amendment to the Disposition and Development Agreement between Metro Hospitality Services, Inc., and City of Fresno to extend the construction schedule for the Courtyard by Marriott Hotel in Downtown Fresno located at the northeast corner of Inyo and M Street (District 3)

Contents of Supplement: Developer Letter – Request for extension as referenced in Staff report – executive summary

Supplemental Information:

Any agenda related public documents received and distributed to a majority of the City Council after the Agenda Packet is printed are included in Supplemental Packets. Supplemental Packets are produced as needed. The Supplemental Packet is available for public inspection in the City Clerk's Office, 2600 Fresno Street, during normal business hours (main location pursuant to the Brown Act, G.C. 54957.5(2)). In addition, Supplemental Packets are available for public review at the City Council meeting in the City Council Chambers, 2600 Fresno Street. Supplemental Packets are also available on-line on the City Clerk's website.

Americans with Disabilities Act (ADA):

The meeting room is accessible to the physically disabled, and the services of a translator can be made available. Requests for additional accommodations for the disabled, sign language interpreters, assistive listening devices, or translators should be made one week prior to the meeting. Please call City Clerk's Office at 621-7650. Please keep the doorways, aisles and wheelchair seating areas open and accessible. If you need assistance with seating because of a disability, please see Security.

Request for DDA Extension Due to Weather-Related Construction Delays

To: City of Fresno

Attn: Georgeanne White

Date: Jan 10, 2025

Subject: Request for Extension on Current DDA for Downtown Fresno Project

Project Overview

Project Name: Courtyard By Marriot Downtown Fresno

Project Address: 808 M Street, Fresno, CA 93721

Requested Extension Period: 1 year

Background

The Downtown Fresno Project has encountered significant delays due to unforeseen weather conditions. We seek an extension on our current DDA to accommodate these delays and ensure the successful completion of the project.

Weather Impact Overview

End of 2022:

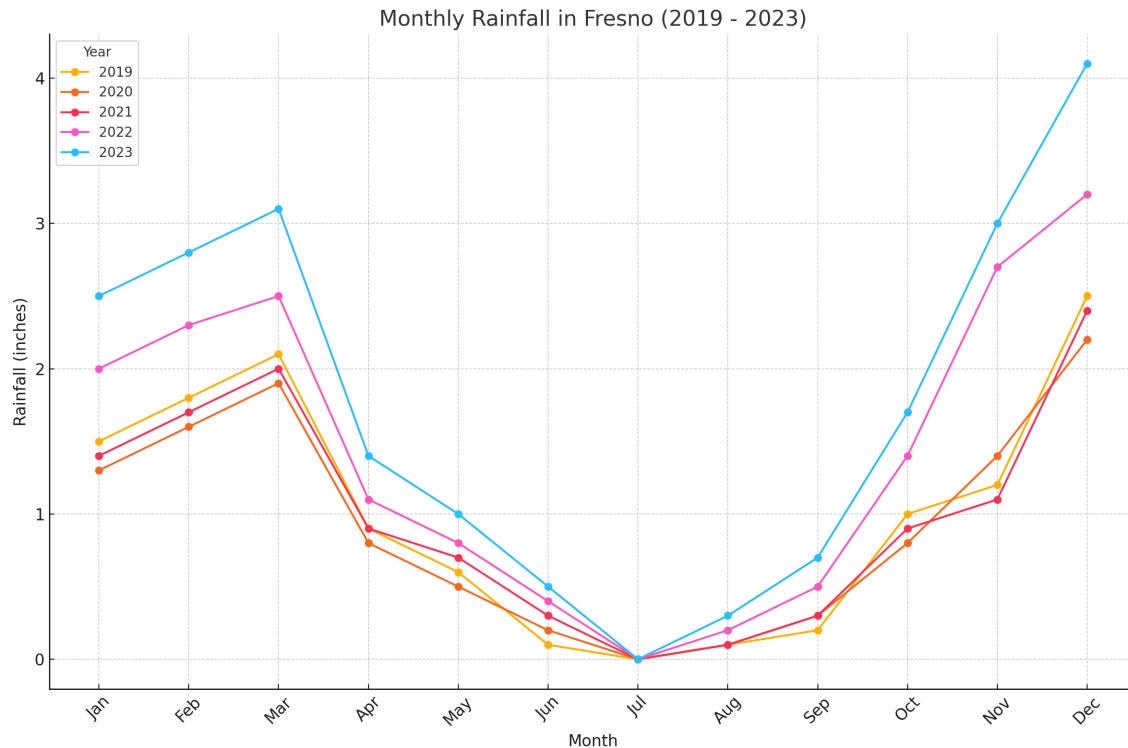
From October to December 2022, Fresno experienced unprecedented rainfall due to a series of atmospheric river events. This period saw record-breaking precipitation, leading to widespread flooding and saturation of construction sites. The National Weather Service recorded up to 3 inches of rain in Fresno during late December alone, contributing to severe disruptions in construction schedules.

Early 2023:

The heavy rains continued into the first quarter of 2023, with January marked by several intense storms. These events further worsened delays, as saturated ground conditions and persistent wet weather made it challenging to proceed with critical construction tasks such as excavation, foundation work, and concrete pouring.

End of 2023:

December 2023 brought another bout of significant rainfall. The persistent wet conditions throughout this period again delayed construction activities, impacting site access, material deliveries, and overall project timelines.



Specific Delays and Challenges

1. Excavation and Foundation Work:

- Waterlogged conditions prevented the timely completion of excavation and foundation tasks.
- The need to constantly pump out water from the construction site led to increased labor and equipment costs.

2. Concrete Pouring:

- Wet conditions delayed concrete pouring schedules, which are highly sensitive to weather.
- Several scheduled pours had to be postponed, causing cascading delays across subsequent project phases.

3. Site Access and Logistics:

- Flooded roads and access points hampered the delivery of materials and movement of equipment.
- Additional resources were required to manage and mitigate these logistical challenges.

Request for Extension

Given the unexpected and severe weather events that have significantly impacted our construction schedule, we respectfully request an extension of 1 year on our current DDA. This extension will allow us to accommodate the delays caused by weather, ensure the quality and safety of construction, and successfully complete the Downtown Fresno Project.

We appreciate your understanding and cooperation in this matter. Please let us know if you require any additional information or documentation to process this request.

Current Project Status

The Downtown Fresno Marriott project is progressing steadily, with the building now prepared for lath and plaster on the exterior. Inside, drywall installation is underway, marking significant progress on interior finishes. The switchgear has already been installed, and we are on PG&E's schedule for the transformer hookup, which will provide power to the site. From this stage, we typically anticipate obtaining occupancy permits within 6 to 8 months. Considering the current pace and unforeseen delays, a 1-year extension on the Disposition and Development Agreement (DDA) should provide adequate time to complete the project and address any remaining contingencies.

Thank you for your consideration.

Sincerely,

Randeep Dhillon
Metro Hospitality Services, Inc