

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO, CALIFORNIA, IN SUPPORT OF A CITY CONTRIBUTION OF FUNDS IN THE AMOUNT OF \$6,000,000.00 FOR REHABILITATION EXPENSES ASSOCIATED WITH THE TRAVEL INN AFFORDABLE HOUSING DEVELOPMENT LOCATED AT 1444 WEST WHITE AVENUE, IN THE CITY OF FRESNO.

WHEREAS, Cesar Chavez Foundation, a California nonprofit public benefit corporation is proposing to develop the Travel Inn Affordable Housing Development, a 118-unit affordable rental housing complex to be located on City-owned property at 1444 West White Avenue, Fresno, California 93728 (Project); and


WHEREAS, City of Fresno (City) intends to provide a conditional commitment of funds in the form of debt to the Project in the amount of \$6,000,000.00 for rehabilitation expenses associated with the conversion of the former Travel Inn to permanent affordable housing; and

WHEREAS, the City's conditional commitment of funds is contingent upon Cesar Chavez Foundation obtaining full financing for the Project; and

WHEREAS, upon the provision of evidence that the Project is fully funded, the City and Cesar Chavez Foundation will execute an enforceable financing commitment for future City funding in an amount not to exceed \$6,000,000.00; and

WHEREAS, the City has significant interest in encouraging Cesar Chavez Foundation to develop the Property into a permanent affordable rental housing development; and

Date Adopted:
Date Approved:
Effective Date:

City Attorney Approval: 

WHEREAS, Council recognizes that the development of the Property into permanent affordable rental housing will address the City's homelessness and housing crisis; and

WHEREAS, the City's conditional commitment of funds and this Resolution shall terminate on December 31, 2024.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno as follows:

1. The Council authorizes the use of City funds in the amount of \$6,000,000 for the rehabilitation expenses associated with the conversion of the former Travel Inn to permanent affordable housing.

2. The Council has adopted this Resolution to provide a conditional commitment of City funds to the Project in an amount not to exceed \$6,000,000.

3. This conditional commitment is subject to the Project being fully funded and the Council approval for City and Cesar Chavez Foundation to execute and record an enforceable financing commitment, which shall be prepared and provided by the City, consistent with the following terms and conditions:

- a. Funding not to exceed \$6,000,000.00;
- b. The affordability period shall be 55 years;
- c. The loan shall be for a term of 55 years;
- d. The loan shall consist of loan repayments from residual receipts;
- e. Interest will accrue on the loan at a rate of 3% annually;

f. The loan will be subject to all state and/or federal requirements of the City funds;

g. The Project shall undergo and successfully pass underwriting;

h. Cesar Chavez Foundation will ensure the appropriate number of affordable units depending on the funding source;

i. Cesar Chavez Foundation will verify that eligible tenants for the affordable units have incomes equal to or less than 80% of the Area Median Income (AMI).

4. The City's conditional commitment and this Resolution shall terminate on December 31, 2024.

5. This Resolution is subject to all applicable City rules and regulations.

6. This Resolution shall become effective immediately upon final Council approval.

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STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, TODD STERMER, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the _____ day of _____ 2024.

AYES :
NOES :
ABSENT :
ABSTAIN :

Mayor Approval: _____, 2024
Mayor Approval/No Return: _____, 2024
Mayor Veto: _____, 2024
Council Override Vote: _____, 2024

TODD STERMER, CMC
City Clerk

By: _____
Deputy Date

APPROVED AS TO FORM:
ANDREW JANZ
City Attorney

By: _____
Brent Richardson Date
Deputy City Attorney