

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO, CALIFORNIA, IN SUPPORT OF A CONTRIBUTION OF CITY FUNDS IN THE AMOUNT OF \$6,000,000 AND A CONTRIBUTION OF THREE CITY-OWNED PARCELS ALONG THE PARKWAY DRIVE CORRIDOR TO CESAR CHAVEZ FOUNDATION FOR THE DEVELOPMENT OF THE PARKVIEW APARTMENTS AFFORDABLE RENTAL HOUSING PROJECT

WHEREAS, the City of Fresno (City) is the fee owner of three parcels located along the Parkway Drive Corridor and more particularly described as 1444 West White Avenue (APN 449-343-07T); 817 North Parkway Drive (APN 449-335-25); and a vacant lot at the northwest corner of North Parkway Drive and West Dennett Avenue (APN 449-321-18), in Fresno, California (Property); and

WHEREAS, Cesar Chavez Foundation, a California nonprofit public benefit corporation (Developer) is proposing to develop the Parkview Apartments, a 144-unit affordable rental housing project (Project) to be located on the Property, consisting of the rehabilitation of 53 units into permanent supportive housing and 91 units of newly constructed affordable rental housing; and

WHEREAS, the Developer intends to submit an application to the State of California Department of Housing and Community Development's (HCD) Multifamily Super NOFA (MFSN) Program for funding to support the Project; and

WHEREAS, the City is supportive of the Developer's funding application to HCD's MFSN Program for funding to support the development of the Project; and

1 of 6

Date Adopted:
Date Approved:
Effective Date:

City Attorney Approval:



Resolution No.

WHEREAS, the City of Fresno intends to provide a conditional commitment of City funds in the form of debt to the Project in the amount of \$6,000,000 for eligible development expenses associated with the new construction and/or rehabilitation of permanent affordable rental housing; and

WHEREAS, to further assist with the Project, the City owns and intends to contribute the aforementioned Property to the Developer through a long-term ground lease of \$1 per year for a term of 55 years; and

WHEREAS, the City's conditional commitment of funds and contribution of the Property is subject to Developer's receipt of a full award from the MFSN funding application, sufficient evidence that the Developer has obtained full financing for the Project, and approval of the Property's disposition terms by the California Department of Housing and Community Development (HCD) and City Council; and

WHEREAS, upon the provision of evidence of the Developer's receipt of full award for its' application to MFSN, sufficient evidence that the Project is fully funded, approval of the disposition terms by HCD and approval by the City Council in accordance with applicable sections of the Fresno Municipal Code, the City and Developer will execute an enforceable financing commitment for future City funding in an amount not to exceed \$6,000,000 and will execute a ground lease of \$1 per year for a term of 55 years; and

WHEREAS, the City of Fresno (City) has significant interest in encouraging the Developer to develop the Property into permanent affordable rental housing; and

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, contribution of the Property, and this Resolution shall terminate on December 31, 2025, with an option to extend the Resolution for one year contingent upon the Developer's receipt of full award for its' application to MFSN and sufficient evidence that the Project is fully funded.

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

1. The Council has adopted this Resolution to provide a conditional contribution of City funds in the amount of \$6,000,000 for eligible construction/rehabilitation expenses associated with the Project, and a conditional contribution of the City-owned Property to the Developer for the development of the Project.

2. The City's conditional contribution of the City-owned Property shall be initiated through a long-term ground lease of no less than 55 years for \$1 per year to qualify as donated land for Application purposes only, subject to Developer's receipt of full award for its' application to MFSN, sufficient evidence that the Project is fully funded, approval of the disposition terms by HCD and approval by the City Council in accordance with applicable sections of the Fresno Municipal Code. The City will grant the Developer a two-year right of entry/license agreement to facilitate construction of the Project, and the aforementioned ground lease will commence upon completion.

3. The Council authorizes the use of City funds in the amount of \$6,000,000 for the eligible construction/rehabilitation expenses associated with the Project, conditional upon Council approval for the City and Developer to execute and record an enforceable financing commitment, which shall be prepared 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 contribution of City funds, the contribution of the Property, and this Resolution shall terminate on December 31, 2025, with an option to extend the Resolution for one year contingent upon the Developer's receipt of full award for its' application to MFSN and sufficient evidence that the Project is fully funded

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 _____ 2025.

AYES :
NOES :
ABSENT :
ABSTAIN :

Mayor Approval: _____, 2025
Mayor Approval/No Return: _____, 2025
Mayor Veto: _____, 2025
Council Override Vote: _____, 2025

TODD STERMER, CMC
City Clerk

By: _____
Deputy Date

APPROVED AS TO FORM:
ANDREW JANZ
City Attorney

By: _____
Brent Richardson Date
Deputy City Attorney