

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO, CALIFORNIA, SUPPORTING A FUTURE CITY CONTRIBUTION OF FUNDS FOR REHABILITATION EXPENSES, IN AN AMOUNT NOT TO EXCEED \$6,000,000, ASSOCIATED WITH UPHOLDINGS CALIFORNIA, LLC'S QUALITY INN PROJECT UNDER APPLICATION FOR FUNDING THROUGH THE STATE OF CALIFORNIA'S HOMEKEY 3 PROGRAM.

WHEREAS, the Department of Housing and Community Development (Department) has issued a Notice of Funding Availability, dated March 29, 2023 (NOFA), for the Homekey Round 3 Program (Homekey 3 or Program). The Department has issued the NOFA for Homekey 3 grant funds pursuant to Health and Safety Code section 50675.1.3 (Assem. Bill No. 140 (2021-2022 Reg. Sess.), § 20.); and

WHEREAS, City of Fresno (City) desires to jointly apply for Homekey 3 grant funds with Upholdings California, LLC for its proposed project to develop 6051 North Thesta Street (APN 409-200-43) into permanent housing for families and individuals experiencing or at risk of homelessness (Project); and

WHEREAS, Upholdings California, LLC has requested future fiscal contributions from the City for costs associated with the rehabilitation of the Project; and

WHEREAS, the City's future commitment of funds for the rehabilitation of the Project is critical to the State's approval of Homekey 3 funding.

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

1. The Council authorizes and supports a Homekey 3 joint-application with Upholdings California, LLC for the Project.

1 of 3

Date Adopted:

Date Approved:

Effective Date:

City Attorney Approval:



Resolution No.

2. The Council hereby adopts this resolution to fund the Project in an amount not to exceed Six Million Dollars (\$6,000,000). This commitment is subject to the full allocation of Homekey 3 funds to the Project and the City's execution and recordation of one or more funding agreements, which shall be provided by the City, consistent with the following terms and conditions:

- a. The terms of affordability for the units shall be no less than 55 years
- b. The loan shall be a residual receipts loan
- c. The loan shall have an interest of 3% annually
- d. The loan shall be for a term of 55 years
- e. The Project shall undergo and successfully pass underwriting
- f. UPholdings California, LLC will ensure the appropriate number of affordable units depending on the funding source
- g. UPholdings California, LLC shall verify that eligible tenants for the affordable units have incomes equal to or less than 30% of the Area Median Income (AMI).

3. The City's commitment shall terminate if this Project is not awarded the full Homekey 3 allocation requested or if UPholdings California, LLC does not submit an application in response to the City's 2023 Affordable Housing Notice of Funding Availability.

4. The City Manager is authorized and directed to bring back to the City Council for its consideration a contract(s) with the appropriate funding sources for the rehabilitation of the Project.

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

6. This Resolution shall become effective upon final 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 _____ 2023.

AYES :
NOES :
ABSENT :
ABSTAIN :

Mayor Approval: _____, 2023
Mayor Approval/No Return: _____, 2023
Mayor Veto: _____, 2023
Council Override Vote: _____, 2023

TODD STERMER, CMC
City Clerk

By: _____
Deputy Date

APPROVED AS TO FORM:
ANDREW JANZ
City Attorney

By: _____
Tracy N. Parvanian Date
Supervising Deputy City Attorney