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**Title:** Actions pertaining to a State and Local Fiscal Recovery Funds Grant Agreement between the City of Fresno and Central California Land Trust:  
 1. Adopt a finding of Categorical Exemption pursuant to Section 15301/Class 1 of the California Environmental Quality Act (CEQA) Guidelines; and  
 2. Approve a State and Local Fiscal Recovery Funds Grant Agreement in the amount of \$800,000 with Central California Land Trust for the acquisition and rehabilitation of two single-family homes to be sold and preserved as affordable housing.

**Sponsors:** Planning and Development Department

**Indexes:**

**Code sections:**

**Attachments:** 1. 24-555 CEQA Categorical Exemption, 2. 24-555 SLFRF Grant Agreement

Date	Ver.	Action By	Action	Result
6/27/2024	1	City Council		

**REPORT TO THE CITY COUNCIL**

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

**BY:** MAYRA MERINO, Senior Management Analyst  
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**SUBJECT**

Actions pertaining to a State and Local Fiscal Recovery Funds Grant Agreement between the City of Fresno and Central California Land Trust:  
 1. Adopt a finding of Categorical Exemption pursuant to Section 15301/Class 1 of the California Environmental Quality Act (CEQA) Guidelines; and  
 2. Approve a State and Local Fiscal Recovery Funds Grant Agreement in the amount of \$800,000 with Central California Land Trust for the acquisition and rehabilitation of two single-family homes to be sold and preserved as affordable housing.

**RECOMMENDATION**

Staff recommends City Council adopt a categorical exemption pursuant to Section 15301/Class 1

(minor alterations) of the CEQA guidelines and approve an \$800,000 State and Local Fiscal Recovery Funds (SLFRF) Grant Agreement with Central California Land Trust (CCLT) for its proposed Phase II project to acquire and rehabilitate two single family homes to be sold and preserved as affordable housing for households meeting low income eligibility guidelines for City of Fresno.

## **EXECUTIVE SUMMARY**

CCLT will acquire two existing Single-Family Dwellings (SFD), rehabilitate them, and re-sell the improved dwellings at an affordable price. Eligible homebuyers are households with an average income of less than 80% of the area median income (AMI). The buyers will purchase the homes at an affordable price while CCLT continues to own the land. The homebuyer will acquire the building and CCLT will maintain ownership of the land through a ground lease to ensure the homes are affordable in perpetuity.

## **BACKGROUND**

On December 9, 2021, City Council elected to use a portion of the City's SLFRF allocation to support the COVID-19 Public Health and Economic Response by addressing the impact on lower income households and increasing the supply and creation of affordable housing.

On November 3, 2022, City Council approved a SLFRF Grant Agreement for \$225,500 with CCLT to develop a community land trust plan. CCLT successfully completed the requirements of this original agreement, including a business plan for the land trust and employment of a full-time Executive Director. Under the leadership of their new Executive Director, CCLT seeks to implement the plan which outlines a sustainable business model that includes the critical early step of acquiring two permanently affordable community-controlled single-family housing units.

CCLT will utilize the SFD Acquisition/Rehabilitation for Homeownership strategy to acquire two existing SFDs to rehabilitate them and re-sell them at an affordable price. Homes will be sold to households with income less than 80% AMI. CCLT will execute a Ground Lease with the buyer to maintaining ownership of the land. This will enable CCLT to monitor and manage any future resale of the homes to preserve affordability over time.

## **ENVIRONMENTAL FINDINGS**

Staff has determined this project falls within the Categorical Exemption set forth in CEQA Guidelines Section 15301/Class 1, which exempts minor alteration projects of existing private or public structures with no expansion of existing or former use.

## **LOCAL PREFERENCE**

Local preference was not considered because the grant agreement does not include a bid or award of a construction or services contract.

## **FISCAL IMPACT**

The source of funding for the proposed grant agreement is American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds (SLFRF) and was appropriated to the Planning and Development Department as part of its fiscal year 2023 City Budget.

Attachments:

CEQA Categorical Exemption  
SLFRF Grant Agreement