



Legislation Details (With Text)

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**Title:** Actions pertaining to an Encampment Resolution Funding, Round 2 Agreement between the City of Fresno and Self-Help Enterprises for acquisition, rehabilitation and site development of a mobile home park located at 104 E. Sierra Avenue, Fresno to allow for the placement of affordable housing units (District 6):

1. Adopt a Categorical Exemption per staff determination pursuant to Section 15332/Class 32 of the California Environmental Quality Act (CEQA) Guidelines
2. Approve an Encampment Resolution Funding, Round 2 Agreement with Self-Help Enterprises in the amount of \$3,500,000

**Sponsors:** Planning and Development Department

**Indexes:**

**Code sections:**

**Attachments:** 1. 24-615 CEQA Exemption, 2. 2-FF ID 24-615 Supplement Packet

Date	Ver.	Action By	Action	Result
5/23/2024	1	City Council	APPROVED	Pass

**REPORT TO THE CITY COUNCIL**

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

PHIL SKEI, Assistant Director  
Planning and Development Department

**BY:** JOE PASILLAS, Homeless Service Manager  
Planning and Development Department

**SUBJECT**

Actions pertaining to an Encampment Resolution Funding, Round 2 Agreement between the City of Fresno and Self-Help Enterprises for acquisition, rehabilitation and site development of a mobile home park located at 104 E. Sierra Avenue, Fresno to allow for the placement of affordable housing units (District 6):

1. Adopt a Categorical Exemption per staff determination pursuant to Section 15332/Class 32 of the California Environmental Quality Act (CEQA) Guidelines
2. Approve an Encampment Resolution Funding, Round 2 Agreement with Self-Help Enterprises in the amount of \$3,500,000

**RECOMMENDATION**

Staff recommends City Council adopt a categorical exemption pursuant to Section 15332/Class 32 (in-fill development) of the CEQA guidelines and approve the \$3,500,000 agreement with Self Help Enterprise (SHE) to acquire a Mobile Home Park located at 104 E. Sierra Avenue and provide 26 affordable housing units to extremely-low income households.

## **EXECUTIVE SUMMARY**

The City of Fresno (City) is seeking to award \$3,500,000 in ERF-2R funding to SHE. SHE will utilize the ERF-2R funding to acquire a Mobile Home Park located at 104 E. Sierra Avenue and provide 26 units of affordable housing to extremely-low income households. The Mobile Home Park, consisting of a total capacity for 58 units will restrict the balance of the units to low-income households that earn no more than 80% of the Area Median Income. Upon acquisition of the Mobile Home Park, should existing residents earn more than 80% of the Area Median Income they will be allowed to remain at the Park to prevent displacement.

## **BACKGROUND**

On February 23, 2023 City Council adopted a Resolution No. 2023-039 authorizing the department to submit a grant applications to CAL-ICH for funding under the ERF-2R program for services that resolve the experience of unsheltered homelessness for people residing in the encampments and transition individuals into interim shelter with clear pathways to permanent housing.

On June 14, 2023 the City was awarded \$17,000,000 from the Encampment Resolution Funding Round 2 program to resolve the existing state encampment area in downtown Fresno where unsheltered residents from across the City were continuing to relocate. These funds support interim shelter operations, bridge housing, the development of a tiny home village and to support affordable housing for individuals that are in the ERF encampment area.

On April 20, 2023, City Council adopted Resolution 2023-097 authorizing the City to jointly apply for Homekey Round 3 grant funds in an amount not to exceed \$15,000,000 with Fresno Mission Communities, Inc., (Fresno Mission) for the acquisition, rehabilitation, and operation of the property located at 3876 North Blackstone Avenue (Property) for the City Studios Project consisting of the conversion of a 44-room motel into 34 units of permanent affordable housing for qualified individuals and youth experiencing or at risk of homelessness (Project). On May 16, 2023, the City submitted the joint application in response to the NOFA for Homekey grant funds.

On February 14, 2024, HCD issued an Award letter to the City and Fresno Mission announcing a Homekey Round 3 Award in the amount of \$9,598,131 for the Project. Included in the Project budget is reimbursement of the ERF-2R funds used to acquire the Property. City Staff received confirmation from CAL-ICH that the reimbursed funds are available to fund additional activities consistent with the ERF-2R program and that the acquisition and rehabilitation of a mobile home park to provide affordable housing is an eligible activity.

On April 15, 2024, The Planning and Development Department, Homeless Services Division, released a NOFA requesting Community Based Organizations submit a Statement of Qualifications for Acquisition and/or Rehabilitation of a Mobile Home Park. The evaluation committee received one response from SHE, determined that they are qualified, and recommends that SHE receive the ERF-2R funds.

## **ENVIRONMENTAL FINDINGS**

On May 16, 2024, the Planning and Development Department determined the project activities to be exempt under Section 15332/Class 32 (in-fill development) of the California Environmental Quality Act (CEQA) Guidelines.

## **LOCAL PREFERENCE**

Local preference is not applicable because of the use of State Funds.

## **FISCAL IMPACT**

The agreement will be funded through the City's ERF-2R funds from the State of California.

### Attachments:

- CEQA Exemption
- ERF-2R Mobile Home Agreement