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Title: Actions pertaining to the Travel Inn Affordable Housing Development located at 1444 West White Avenue, Fresno, California (Council District 3):
1. ***RESOLUTION - Adopt a Resolution in support of a City contribution of funds in the amount of \$6,000,000 for rehabilitation expenses associated with the Travel Inn Affordable Housing Development (Subject to Mayor's veto)

Sponsors: Planning and Development Department

Indexes:

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Attachments: 1. 24-791 Resolution Travel Inn Funding Commitment

Date	Ver.	Action By	Action	Result
6/20/2024	1	City Council	ADOPTED	Pass

REPORT TO THE CITY COUNCIL

FROM: JENNIFER CLARK, Director
Planning and Development Department

PHIL SKEI, Assistant Director
Planning and Development Department

BY: JENNIFER DAVIS, Senior Management Analyst
Housing Finance Division

SUBJECT

Actions pertaining to the Travel Inn Affordable Housing Development located at 1444 West White Avenue, Fresno, California (Council District 3):

1. ***RESOLUTION - Adopt a Resolution in support of a City contribution of funds in the amount of \$6,000,000 for rehabilitation expenses associated with the Travel Inn Affordable Housing Development (Subject to Mayor's veto)

RECOMMENDATIONS

Staff recommends City Council adopt a Resolution in support of a City contribution of funds in the amount of \$6,000,000 for rehabilitation expenses associated with the Travel Inn Affordable Housing Development.

EXECUTIVE SUMMARY

On January 11, 2021, the City of Fresno purchased the former Travel Inn motel located along the Parkway Drive Corridor at 1444 West White Avenue, APN 449-343-07 (Property). The City acquired the motel for the purpose of providing a low barrier emergency homeless shelter and triage center to meet the immediate needs of the city's unhoused community members for an interim period until such time that the property can be converted to permanent affordable housing. Adopting the Resolution will provide a City contribution of funds in the amount of \$6,000,000 to Cesar Chavez Foundation to support the conversion and rehabilitation of the former Travel Inn motel to 118 units of permanent affordable housing.

BACKGROUND

The former Travel Inn motel is located at 1444 West White Avenue (APN 449-343-07) and consists of a 1.55-acre site situated along the Parkway Drive Corridor. The Property was acquired by the City in 2021 for the express intent of providing safe low-barrier emergency shelter rooms to support the City's Project Off Ramp program, which relocates unhoused individuals from the freeway right-of-way to low-barrier emergency shelters. The facility has been operating at full capacity since opening in September 2021 with 60 rooms and 150 shelter beds. The City has significant interest in facilitating the transition of unhoused individuals to permanent housing and recognizes the importance of developing permanent affordable housing to address the City's homelessness and housing crisis.

On February 1, 2024, City Council adopted Resolution 2024-023 declaring the property surplus land. Pursuant to the Surplus Land Act, Gov. Code sections 54220 *et seq.*, surplus land means land owned in fee simple for which a local agency's governing body takes formal action at a regular public meeting declaring land to be surplus and not necessary for the local agency's use. The Surplus Land Act (SLA) requires local agencies to make surplus land available for affordable housing prior to selling or leasing the land for another purpose.

Cesar Chavez Foundation is proposing to develop the Travel Inn Affordable Housing Development, which will consist of a 118-unit affordable rental housing complex (Project). The City intends to provide a conditional commitment of funds in the amount of \$6,000,000 to the Project for rehabilitation expenses associated with the conversion of the existing motel into affordable housing. The City's funding commitment will assist in promoting the path for unhoused individuals into permanent homes, as well as promoting the reuse of an existing motel and increasing the City's housing stock. The City's conditional commitment of funds is contingent upon Cesar Chavez Foundation securing full funding for the Project, and Council approval for the City and Cesar Chavez Foundation to execute and record an enforceable financing commitment subject to all City, state, and federal financing conditions. The City's conditional commitment and the Resolution will expire on December 31, 2024.

Cesar Chavez Foundation is a multipurpose organization invested in the economic development of underserved communities and dedicated to providing high-quality affordable housing for low-income households throughout California and the Southwest Region. Together with the City's efforts to reduce homelessness and increase affordable housing, the Travel Inn Affordable Housing Development will encourage neighborhood revitalization, promote sustainable and equitable development, and improve the overall well-being of the city's vulnerable and under-resourced community.

In partnership with Cesar Chavez Foundation, the Travel Inn Affordable Housing Development provides the City with a unique opportunity to promote the reuse of an existing motel property for the

advancement of community and economic development. The project will provide affordable quality housing, increasing the City's housing stock and bringing the City closer to meeting its affordable housing goals and objectives as outlined in the One Fresno Housing Strategy, 2020-2024 Consolidated Plan, and the Housing Element of the 2035 General Plan.

The City Attorney's Office has reviewed and approved as to form the attached Resolution.

ENVIRONMENTAL FINDINGS

This action is not a project for CEQA.

LOCAL PREFERENCE

Local Preference is not applicable because this item does not require bidding or an award of a contract.

FISCAL IMPACT

This action today represents a firm funding commitment by the City. There is no impact on the City's General Fund as a result of this action.

Attachment:

- Resolution Travel Inn Funding Commitment