



## Legislation Details (With Text)

**File #:** ID16-1005    **Version:** 1    **Name:**  
**Type:** Resolution    **Status:** Mayor's Office  
**File created:** 8/22/2016    **In control:** City Council  
**On agenda:** 9/1/2016    **Final action:** 9/1/2016  
**Title:** JOINT MEETING OF CITY (IN ITS CAPACITY AS HOUSING SUCCESSOR) AND FRESNO REVITALIZATION CORPORATION

Action pertaining to sale of 0.39 acres of property at 473 N. Glenn Ave. (APN 459-061-29T)

1. Adopt a finding of Categorical Exemption pursuant to CEQA Guidelines section 15332
2. Approve a Purchase and Sale Agreement between the City in its capacity as Housing Successor Agency and Brad Hardie and WITR, LLC.

**Sponsors:** Successor Agency to the Redevelopment Agency of th

**Indexes:**

**Code sections:**

**Attachments:** 1. ID 16-1005\_437 N Glenn - APN 459-061-29T\_map.pdf, 2. Supplement - Joint Meeting - Purchase and Sales Agreement.pdf

Date	Ver.	Action By	Action	Result
9/1/2016	1	City Council	approved	Pass

### REPORT TO THE CITY IN ITS CAPACITY AS HOUSING SUCCESSOR TO THE REDEVELOPMENT AGENCY OF THE CITY OF FRESNO AND FRESNO REVITALIZATION CORPORATION

**DATE:** September 1, 2016

**FROM:** MARLENE MURPHEY, Executive Director

#### SUBJECT

JOINT MEETING OF CITY (IN ITS CAPACITY AS HOUSING SUCCESSOR) AND FRESNO REVITALIZATION CORPORATION

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#### RECOMMENDATION

It is recommended that the City of Fresno in its capacity as the Housing Successor to the Redevelopment Agency approve of a Purchase and Sale Agreement for 473 N. Glenn Ave. (APN 459-061-29T).

#### EXECUTIVE SUMMARY

The Housing Successor is proposing to execute a Purchase and Sale Agreement with Brad Hardie and WITR, LLC (buyers). The proposed purchase of 473 N Glenn will include an affordable housing covenant and help the Agency meet the affordable housing goals of SB 341.

## **BACKGROUND**

The Housing Successor- owned property at 473 N Glenn is located in the Lowell Neighborhood and was acquired to remove blight and provide affordable housing. The property is an 18,295 square foot lot with three uninhabitable buildings. It was independently appraised in December 2015 for \$45,000.

The Housing Successor has received an offer from Brad Hardie and WITR, LLC. The offer is for the purchase price of \$20,000 with one affordable covenant at the extremely low income level (30% of Average Median Income). Mr. Hardie is President of Regency Property Management and the managing partner of WITR, LLC is Mr. Wayne Rutledge, a local builder. The buyers bring experience in local property management and construction. The buyers propose to remodel all of the 8 units over an approximate four month period. The planned rehabilitation includes new plumbing, electrical, windows, roofing, appliances and new interior finishes and flooring. The rehabilitation cost estimate is above \$400,000. The buyers plan to finance the project from owner resources (100% owner equity) with no third party financing and voluntarily sent evidence of funding capability with the offer.

Due to the inherent, omnipresent challenge of achieving financial feasibility for affordable housing development, the sale of Housing Successor property generally requires some combination of a land write down and cash contribution to achieve the production of affordable units.

The subject offer provides an opportunity to: purchase an extremely low income covenant on a newly refurbished unit for \$25,000 (i.e. land write down); help the Housing Successor fulfill the requirements and objectives of SB 341; return a long vacant blighted property into a neighborhood asset with 8 rehabilitated housing units; and, retain a vintage property.

## **ENVIRONMENTAL FINDINGS**

Staff has performed a preliminary environmental assessment of this project and has determined it falls within the Categorical Exemption set forth in Section 15332 which exempts certain infill projects. This project meets all the requirements of that section, and none of the exceptions to Categorical Exemptions set forth in section 15300.2 apply to this project.

## **LOCAL PREFERENCE**

N/A

## **FISCAL IMPACT**

N/A

Attachments: Location Map  
Purchase and Sale Agreement  
Regulatory Agreement