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Title: Consider Amended and Restated Disposition and Development Agreement with Noyan Frazier Capital L.P. for the South Stadium project.
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|------------|------|--------------|----------|--------|
| 11/19/2020 | 1 | City Council | approved | Pass |

REPORT TO THE CITY COUNCIL

November 19, 2020

FROM: Aldi Ramirez, Deputy City Manager
Office of Mayor and City Manager's Office

SUBJECT

Consider Amended and Restated Disposition and Development Agreement with Noyan Frazier Capital L.P. for the South Stadium project.

RECOMMENDATION

Consider Amended and Restated Disposition and Development Agreement with Noyan Frazier Capital L.P. for the South Stadium project.

EXECUTIVE SUMMARY

The Developer for the Park Project (Project) has requested an extension of time to the project performance schedule for Phase 1 of the Project. Phase 1 is a .79-acre site at the northwest corner of Inyo and Fulton Streets that will be developed into a multi-story mix of affordable and market rate housing over ground floor retail. Phase 1 is comprised of 44 market rate units and 10 affordable units at 50% of AMI. The Disposition and Development Agreement (DDA) deadline to close escrow and commence construction is currently November 2020, with completion of construction in April 2023. The Developer is proposing an extension to these deadlines with a new close of escrow date of

August 2021; commencement of construction in September 2021; and completion of construction in January 2024.

BACKGROUND

A Request for Proposal (RFP) was issued on April 3, 2014, for a mixed-use multi-phase development in the South Stadium area that included several properties owned by the Successor and Housing Successor Agency to the former Redevelopment Agency (RDA). On October 30, 2014, the Council and RDA selected Noyan Frazier Capital LLC as the developer and on February 25, 2016, a DDA was approved that focused on a proposed Phase 1 mixed use, multi-story building with residential units over ground floor retail. The original DDA included an outside date of December 31, 2017. On June 21, 2018, the First Amendment to the DDA was approved by Council. The First Amendment extended the outside date to April 11, 2020. On August 15, 2019, the Second Amendment to the DDA was approved by Council. The proposed Amended and Restated DDA extends the outside date to August 31, 2021.

ENVIRONMENTAL FINDINGS

This project has been environmentally assessed under the California Environmental Quality Act ("CEQA") and pursuant to EA No. C-15-035 filed September 18, 2015, the project is found to be within the scope of the Master Environmental Impact Report (MEIR) SCH No. 2012111015 prepared for the Fresno General Plan adopted by the Fresno City Council on December 18, 2014.

LOCAL PREFERENCE

N/A

FISCAL IMPACT

The Project leverages a variety of public funding sources that together represent a significant downtown investment in both affordable and market rate housing and creates desired intensification and mixture of land use with emphasis on goals for transit oriented, sustainable development. The Project has a total cost of \$20,638,409 as shown in Attachment B with funding streams including: Affordable Housing Development (AHD) totaling \$17,433,489 and Transportation /AHD Infrastructure totaling \$3,204,920. The AHD component totaling \$17,433,489 shows funding by Donated Land (\$432,280); AHSC Grant (\$1,945,352); AHSC Loan (\$1,324,543) 4% tax equity or equivalent developer equity (\$694,763); Impact Fee Waiver (\$495,270); Developer Equity (\$1,496,000); Air Pollution Control District (\$1,889,511) with the balance of cost funded by the Developer's permanent loan of \$8,496,472. The Transportation /Infrastructure Component is funded by the following sources that equal the total the projected costs: Measure C (\$711,085), Measure C Bikeways (\$25,000); AHSC Sustainable Transportation Infrastructure (\$2,345,836) and AHSC Transportation related Amenities (\$122,999).

Attachment: Attachment A - Amended and Reinstated DDA
Attachment B - Budget