



Legislation Details (With Text)

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Title: Actions pertaining to construction of 78 affordable multifamily apartments at 1538 E. Clinton Avenue in Central Fresno (District 7):

1. Adopt a finding of Categorical Exemption pursuant to Section 15332/Class 32 of the California Environmental Quality Act (CEQA) Guidelines
2. Approve an Owner Participation Agreement with 1538 E. Clinton Ave., L.P. for the construction of 78 units of affordable multi-family apartments

Sponsors: Planning and Development Department

Indexes:

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Attachments: 1. Supplement_22-383_OwnerParticipationAgreement

Date	Ver.	Action By	Action	Result
3/10/2022	1	City Council	ADOPTED	Pass

REPORT TO THE CITY COUNCIL

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SUBJECT

Actions pertaining to construction of 78 affordable multifamily apartments at 1538 E. Clinton Avenue in Central Fresno (District 7):

1. Adopt a finding of Categorical Exemption pursuant to Section 15332/Class 32 of the California Environmental Quality Act (CEQA) Guidelines
2. Approve an Owner Participation Agreement with 1538 E. Clinton Ave., L.P. for the construction of 78 units of affordable multi-family apartments

RECOMMENDATION

Staff recommends that Council adopt the finding of Categorical Exemption pursuant to Section 15332/Class 32 (infill) of CEQA and approve an Owner Participation Agreement (OPA) authorizing a \$3,000,000 loan from the City of Fresno (City) general fund for the construction of 78 units of affordable multi-family apartments at 1538 E. Clinton Avenue.

EXECUTIVE SUMMARY

On June 24, 2021, Council passed Resolution 2021-181 to loan \$3,000,000 from the General Fund to 1538 E. Clinton Ave., LP (Owner) for the construction of 78 units of affordable multi-family apartments at 1538 E. Clinton Avenue (Project) and appropriated funds through a budget motion at the same meeting. This funding commitment was made on the condition the Project receive a Low-Income Housing Tax Credit Award, which it received on October 20, 2021. This OPA is presented to Council pursuant to the terms of the previously approved resolution and budget appropriation now that the Project's funding condition has been met.

BACKGROUND

On June 24, 2021, City Council passed Resolution 2021-181 to loan \$3,000,000 from the General Fund to Owner for the construction of 78 units of affordable multi-family apartments at 1538 E. Clinton Avenue and appropriated these funds through a budget motion at the same meeting. Pursuant to Resolution 2021-181, the \$3,000,000 is a residual receipts loan, accrues interest at 3% annually for 55 years, and commits to a 55- year affordability period for the units. This funding commitment was made on the condition this project receive a Low-Income Housing Tax Credit Award, which it received on October 20, 2021.

The project at 1538 E. Clinton Ave. is a 78-unit affordable multi-family development consisting of 30 one-bedroom, 21 two-bedroom, 21 three-bedroom and 6 four-bedroom apartment units and community space which will provide computer labs, laundry facilities, bicycle parking, a community kitchen and space for resident services programs and classes. The design will make use of the frontage along Clinton Avenue to present a vertical mixed use feel, with the ground floor space being occupied by a community room, management offices, meeting room and fitness center.

This Owner Participate Agreement is exempt from the Better Business Act pursuant to Resolution 2014-191.

ENVIRONMENTAL FINDINGS

Staff has determined the project falls within the Class 32 Categorical Exemption set forth in CEQA guidelines, section 15332, as the Project will be located on an infill site in Central Fresno, will be consistent with the General Plan and zoning designations, will be no more than five acres substantially surrounded by urban uses, will not result in any significant effects relating to traffic, noise, air quality, or water quality, and will be adequately served by all utilities and public services. None of the exceptions to Categorical Exemptions set forth in CEQA Guidelines, Section 15300.2 apply.

LOCAL PREFERENCE

Local preference does not apply because this agreement does not include an award of a construction or service contract

FISCAL IMPACT

The \$3,000,000 in General Fund resources have already been appropriated.

Attachments:

Attachment A - Owner Participation Agreement