



## Legislation Details (With Text)

**File #:** ID 22-1288    **Version:** 1    **Name:**

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**File created:** 8/3/2022    **In control:** City Council

**On agenda:** 8/18/2022    **Final action:**

**Title:** Actions pertaining to using the Ambassador Inn located at 1804 W. Olive Avenue, Fresno 93728, as an interim low-barrier homeless shelter:

1. Adopt a finding of Categorical Exemption pursuant to Section 15301 of the California Environmental Quality Act (CEQA) guidelines; and
2. Affirm the City Manager's finding that RH Community Builders LP, is uniquely qualified; and
3. Approve a Repair Services Agreement with the RH Community Builders LP not to exceed \$5,981,700 (District 3)

**Sponsors:** Planning and Development Department

**Indexes:**

**Code sections:**

**Attachments:** 1. Repair Services Agreement (RH Community Builders - Ambassador Inn), 2. 3-D File ID 22-1288 Supplemental Packet (rec'd 8-15-22)

Date	Ver.	Action By	Action	Result
8/18/2022	1	City Council	TABLED	

## REPORT TO THE CITY COUNCIL

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

**BY:** PHIL SKEI, Assistant Director  
Planning and Development

## SUBJECT

Actions pertaining to using the Ambassador Inn located at 1804 W. Olive Avenue, Fresno 93728, as an interim low-barrier homeless shelter:

1. Adopt a finding of Categorical Exemption pursuant to Section 15301 of the California Environmental Quality Act (CEQA) guidelines; and
2. Affirm the City Manager's finding that RH Community Builders LP, is uniquely qualified; and
3. Approve a Repair Services Agreement with the RH Community Builders LP not to exceed \$5,981,700 (District 3)

## RECOMMENDATION

Staff recommends the City Council approve a Repair Services Agreement with RH Community Builders LP to rehabilitate Ambassador Inn using Homekey 2 funds to serve as an interim low-barrier emergency homeless shelter as part of Project Homekey; and authorize the City Manager to sign the agreement.

## EXECUTIVE SUMMARY

The City of Fresno (City) recently purchased the Ambassador Inn, located at 1804 W. Olive Avenue, Fresno 93728 to serve as an interim low-barrier emergency homeless shelter as part of Project Homekey. Since receiving a Homekey 2 award agreement on August 4, 2022, in order to meet the State of California's deadlines, rehabilitation must commence as soon as possible. RH Community Builders LP has agreed to serve as the City's Developer for this Homekey 2 project. This action will enable the City to comply with accessibility requirements, building and safety requirements, and make improvements that will enhance the experience of residents at this shelter. This vendor is uniquely qualified as one of only two vendors with experience rehabilitating motels for shelter operations and who also have Homekey 2 experience.

## BACKGROUND

On December 9, 2021 City Council adopted Resolution 2021-316 authorizing staff to submit applications to the California Department of Housing and Community Development's (HCD) second round of funding under the Homekey Program (Homekey 2) for the operational and support services that support sustaining and expanding housing for persons experiencing homelessness. Accordingly, staff submitted an application for the Ambassador Inn, located at 1804 W. Olive Avenue, Fresno 93728, and on July 21, 2022 the City was awarded \$12,737,700 to rehabilitate and repair this motel to serve as an interim low-barrier emergency homeless shelter.

As part of the City's Homekey award for the Ambassador Inn was a development budget totaling \$5,981,700 which includes ADA upgrades, interior upgrades, installation of a fire sprinkler system, replacement of mechanical systems, commons space upgrades and enhanced security features, and new furnishings, among other improvements.

Rehabilitation of this motel will temporarily displace existing clients to other shelters on Parkway Drive, but each family displaced will have the opportunity to return to the Villa Motel when it is completed no later than March 21, 2023, at which time it will continue to provide 56 shelter beds for those who are homeless or at risk of homelessness.

## ENVIRONMENTAL FINDINGS

Staff has performed a preliminary environmental assessment of this Project and has determined it falls within the Categorical Exemption set forth in CEQA Guidelines Section 15301/Class 1 (existing facilities) which exempts projects involving a negligible or no expansion of an existing facility. This exemption applies because this project involves the purchase of Parkway Inn without expansion of the facility. Staff determined under the CEQA Guidelines this project fits within the definition of existing facilities in Section 15301/Class 1, as Categorically Exempt from further CEQA review. Staff has determined that none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to this project.

## LOCAL PREFERENCE

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

## **FISCAL IMPACT**

Funding for this agreement will be through the State of California's Project Homekey award to the City of Fresno for this project.

Attachment:

-Repair Service Agreement (RH Community Builders - Ambassador Inn)