



Legislation Details (With Text)

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Title:	Approve a First Amended and Restated Disposition and Development Agreement between the City of Fresno, in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno and Self-Help Enterprises regarding the disposition of approximately 3.05 acres located at the Southwest corner of Florence and Walnut and the Northwest corner of Florence and Plumas Avenue for the development of a single-family affordable housing project.				
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Attachments:	1. Vicinity Map 3-27-24, 2. SHE First Amended-Restated DDA 3-27-24				

Date	Ver.	Action By	Action	Result
4/4/2024	1	City Council	APPROVED	Pass

REPORT TO THE CITY COUNCIL

FROM: MARELENE MURPHY, Redevelopment Administrator

SUBJECT

Approve a First Amended and Restated Disposition and Development Agreement between the City of Fresno, in its capacity as Housing Successor to the Redevelopment Agency of the City of Fresno and Self-Help Enterprises regarding the disposition of approximately 3.05 acres located at the Southwest corner of Florence and Walnut and the Northwest corner of Florence and Plumas Avenue for the development of a single-family affordable housing project.

RECOMMENDATION

It is recommended that the City of Fresno, in its capacity as Housing Successor to the Redevelopment Agency (FHS) approve the First Amended and Restated Disposition and Development Agreement with Self-Help Enterprises.

EXECUTIVE SUMMARY

Self-Help Enterprises (SHE) seeks several changes in the First Amended and Restated Disposition and Development Agreement (Amended Agreement). The two-phase 13-unit development consists of six homes in Phase 1, the "Walnut Project" and seven homes in Phase 2, the "Plumas Project".

The Amended Agreement is prompted by the need to: (1.) change and expand the location for a temporary ponding basin from 3 to 4 lots in the "Plumas Project" site; and (2.) reduce the time to convey lots and construct the thirteen-home project to meet deadline requirements for New Market

Tax Credit (NMTC) funding allocated to the Project.

The Amended Agreement provides for development and construction of 13 single-family homes and includes a larger, relocated temporary basin site. To meet NMTC funding requirements and optimize efficiencies the performance schedule is revised wherein both Phase 1 and 2 complete construction of 13 units by the end of the year reducing the overall schedule by several months. The reduced seven lot “Plumas Project” site will be conveyed upon issuance of building permits for the homes. The four basin lots, to be conveyed concurrently, shall be developed as affordable housing if determined that the basin is unnecessary.

BACKGROUND

The Amended and Restated Development Agreement dated February 23, 2023 (Agreement), approved a two-phase project at the southwest corner of Walnut and Florence for the development of six homes in Phase 1 “Walnut Project” and eight homes in Phase 2 “Plumas Project”. In addition to the 14 lots to be conveyed to SHE, the agreement provided for contribution of three adjacent FHS-owned lots on the west side of the development for use as a temporary storm basin if required. (The original 17 lot SHE project was reduced to 14 to provide for the three-lot basin). Recently, additional engineering and surveys have determined the temporary basin site should be enlarged and located east of the current basin site to meet city of Fresno standards.

The Amended Agreement revises the current Agreement as follows:

Project Scope

The Amended Agreement provides for a reduced project scope from 14 to 13 single family homes to provide for a larger temporary basin site. To the south, the development plan for the nearby Heritage Project includes storm drainpipe infrastructure that may eventually relieve the need for the temporary storm basin and enable SHE to develop 17 homes as originally planned. However, SHE’s project has started construction activity and requires a temporary basin site be set aside and ultimately constructed if proximate storm drain infrastructure is not available.

Land Conveyance

The Amended Agreement sets aside four of eight “Plumas Project” housing lots for an expanded, relocated temporary basin site. The balance of four lots in the “Plumas Project” footprint area and three adjacent lots previously set aside for a basin together form the seven-lot single family housing development in Phase 2.

Specifically, the Amended Agreement conveys four lots in the “Plumas Project” footprint to SHE to be developed as a temporary ponding basin if needed and if not, SHE will develop the lots consistent with the same conditions for the 13 single family homes required under the Amended Agreement. The lots are identified as: 477-14-57T, 477-14-59T, 477-14-61T and 477-14-63T (Ponding Basin Lots). The balance of four lots in the “Plumas Project” footprint and three adjacent lots previously set aside for a basin will be conveyed to SHE to be developed in Phase 2 as single- family affordable housing targeted for sale to households at approximate income levels of 80% AMI or below. The lots are identified as: APN 477-14-58T, 477-14-60T, 477-14-62, 477-14-64T and 477-145-42T, 477-145-45T, 477-145-44T respectively.

Performance Schedule

SHE has secured an allocation of New Market Tax Credit (NMTC) funding that requires completion of the Project's 13 homes by December 31, 2024.

The six "Walnut Project" lots have been conveyed to SHE, grading and building pads have been completed and home construction is planned to commence by mid-April.

The Amended Agreement revises the Performance Schedule to allow concurrent conveyance of the seven Phase 2 "Plumas Project" lots and the four Ponding Basin lots upon approval of the building permits for construction of Phase 2 single family homes. Issuance of building permits is scheduled for mid-April, along with off-site plan approval followed by offsite permit issuance pending storm detention improvements.

The Performance Schedule is updated wherein both Phase 1 and 2 complete construction of the homes by December 31, 2024, and the sale of homes by March 30, 2025, reducing the overall schedule by several months.

ENVIRONMENTAL FINDINGS

On October 22, 2020, the project was determined to be categorically exempt pursuant to CEQA Guidelines Section 15332 as Infill Development. Staff has determined that none of the exceptions to Categorical Exemptions set forth in CEQA Guidelines, section 15300.2 apply to this project.

FISCAL IMPACT

The Amended Agreement does not impact the Fresno Housing Successor's LMIHA fund budget.

Attachments:

Vicinity Map

First Amended and Restated DDA