

#

AGENDA

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1331 Fulton Street
Fresno, California 93721
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www.fresnohousing.org

Special Joint Meeting of the Boards of Commissioners of the Fresno Housing Authority

5pm - October 20, 2020 - *Per Executive Order N-25-20, which allows local and state legislative bodies to hold meetings via teleconference and to make meetings accessible electronically, this Board Meeting will be held via conference call and can be accessed as follows:*

To join via Zoom: <http://bit.ly/FHBoard10202020>

**To join via teleconference, call: (669) 900-6833. Meeting ID: 978 9104 7098.
Password: 480179.**

Interested parties wishing to address the Boards of Commissioners regarding this meeting's Agenda Items, and/or regarding topics not on the agenda but within the subject matter jurisdiction of the Boards of Commissioners, are asked to complete a "Request to Speak" card which may be obtained from the Board Secretary (Tiffany Mangum) at 4:45 p.m. You will be called to speak under Agenda Item 3, Public Comment. Please email your request to speak to executiveoffice@fresnohousing.org.

The meeting room is accessible to the physically disabled, and the services of a translator can be made available. Requests for additional accommodations for the disabled, signers, assistive listening devices, or translators should be made at least one (1) full business day prior to the meeting. Please call the Board Secretary at (559) 443-8475, TTY 800-735-2929.

5pm

1. Call to Order and Roll Call**2. Approval of agenda as posted**

The Boards of Commissioners may add an item to this agenda if, upon a two-thirds vote, the Boards of Commissioners find that there is a need for immediate action on the matter and the need came to the attention to the Authority after the posting of this agenda.

3. Public Comment

This is an opportunity for the members of the public to address the Boards of Commissioners on any matter within the subject matter jurisdiction of the Boards of Commissioners that is not listed on the Agenda. At the start of your presentation, please state your name, address and/or the topic you wish to speak on that is not on the agenda. Presentations are limited to a total of three (3) minutes per speaker.

4. Potential Conflicts of Interest – *Any Commissioner who has a potential conflict of interest may now identify the item and recuse themselves from discussing and voting on the matter. (Gov. Code section 87105)***5. Presentation**

- a. An Overview of Real Estate Development Pipeline and Projects

6. Closed Session

- a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Pursuant to Government Code § 54954.5(b))
Property: 1444 W. White Avenue, Fresno, CA 93728
(APN: 449-343-07);
Agency Negotiator: Preston Prince
Negotiating Parties: Fresno Housing Authority; S & H Hotel LLC
Under Negotiation: Price and Terms
- b. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Pursuant to Government Code § 54954.5(b))
Property: 817 N. Parkway Drive, Fresno, CA 93728
(APN: 449-335-25);
Agency Negotiator: Preston Prince
Negotiating Parties: Fresno Housing Authority; Villa Motel
Under Negotiation: Price and Terms
- c. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Pursuant to Government Code § 54954.5(b))
Property: 1940 Broadway Street, Fresno, CA 93721
(APN: 446-182-39);
Agency Negotiator: Preston Prince
Negotiating Parties: Fresno Housing Authority; Mahant Krupa, Inc.

Under Negotiation: Price and Terms

- d. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Pursuant to Government Code § 54954.5(b))
Property: 949 N. Parkway Drive, Fresno, CA 93728
(APN: 449-324-10);
Agency Negotiator: Preston Prince
Negotiating Parties: Fresno Housing Authority; Bhakta
Arvind & Padmaben Arvind
Under Negotiation: Price and Terms

7. Report on Closed Session Items

8. Action

- a. Consideration of Ratification of Purchase and Sale Agreement – 1444 W. White Ave.
- b. Consideration of Ratification of Purchase and Sale Agreement – 817 N. Parkway Drive
- c. Consideration of Ratification of Purchase and Sale Agreement – 1940 Broadway Street
- d. Consideration of Ratification of Purchase and Sale Agreement – 949 N. Parkway Drive

9. Adjournment



Real Estate Development Update

Boards of Commissioners Retreat

October 20, 2020



FRESNO VIBRANT
COMMUNITIES
QUALITY HOUSING **HOUSING** ENGAGED
RESIDENTS



The Immediate Opportunity

Fresno Housing would receive and utilize over \$20 million in funding from the State Home Key Program for the purchase of a portfolio of motels to house and protect our most vulnerable individuals and families during the pandemic and provide them permanent housing

The “Once in a Generation” Opportunity

Fresno Housing would leverage those assets, partner with the City of Fresno, Fresno Unified, community-based organizations, residents and other developers and participate in the creation of a transformation plan for the neighborhood. Following the transformation plan, FH would renovate, convert and rebuild those assets into high-quality housing and community amenities for a variety of incomes, adding to the vibrancy of the Jane Addams neighborhood.

Jane Adams Neighborhood Vision

Phase I: Years 1-2

- The near term vision is to utilize Homekey funding to house and keep safe homeless individuals, families and children and those at risk of homelessness impacted by the pandemic
- Services will be made available through partnerships with the appropriate experienced providers
- FH staff will prepare a permanent housing plan during the interim housing period
- Creation, in partnership, of a neighborhood strategy regarding the conversion of 2-3 of the highest quality hotels in addition to improved neighborhood infrastructure

Jane Adams Neighborhood Vision

Phase II: Years 3-6

- Implementation of permanent housing conversion plans of the selected motels
- Further permanent housing conversion planning for remaining motels, which may include demolition for the design of new multi-family housing or neighborhood amenities, like community centers
- Further development of a transformative neighborhood strategy to allow for street improvements, parks, community space, and appropriate retail amenities
- All Phase I Homekey residents will be provided housing choices during the conversion process in order to avoid displacement

Jane Adams Neighborhood Vision

Phase III: Years 5-8

- Final build out of the remaining new construction housing, retail and community space
- Partnership with private developers to create retail centers and market rate housing interlaced with affordable housing
- Transformative neighborhood strategy will be implemented in partnership with the community, residents, partners, private developers, and the City of Fresno

Overview

- *Aerials*
- *Motel 99*
- *Day's Inn*
- *Parkside Inn*
- *Welcome Inn*
- *Alamos Motel*
- *Homekey Award Breakdown*
- *Homekey Ops Budgets*

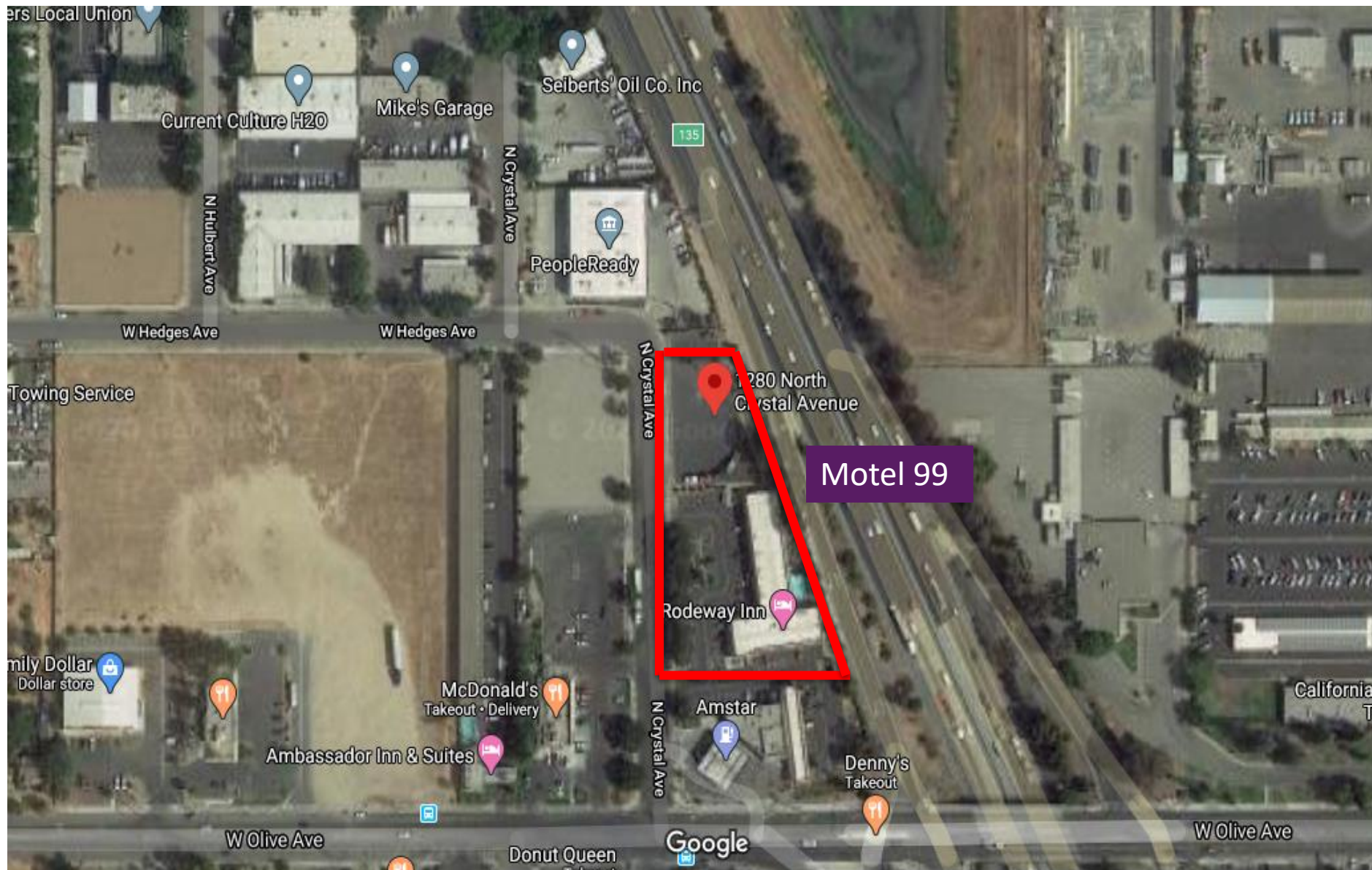


Motel 99

- Located at 1240 & 1280 N. Crystal Ave, Fresno
- APNs: 449-232-02 & 449-232-01
- Motel currently has 99 Rooms
- Owner: Adinath Hospitality
- Purchase Price is \$4.425 million
- Estimated value \$5 million (appraisal pending)
- Board ratified Purchase and Sale Agreement on August 25, 2020
- On September 21, 2020 the governor's office released award notifications for the first round of applications, including Motel 99
- Staff applied to the City of Fresno for operating support



Motel 99 (Fresno) Aerial





FRESNO HOUSING

Day's Inn

- Located at 1101 N Parkway Drive, Fresno
- APNs: 449-270-41
- Motel currently has 98 Rooms
- Owner: Day's Inn of Fresno Partnership
- Purchase Price is \$4.79 million
- Estimated value \$4.8 million (appraisal pending)
- Board ratified Purchase and Sale Agreement on August 25, 2020
- On October 9, 2020 the governor's office released award reservation notifications for the waitlisted applications, including Day's Inn
- Staff applied to the City of Fresno for operating support



Day's Inn (Fresno) Aerial

Olive Avenue





FRESNO HOUSING

Parkside Inn

- Located at 1415 W. Olive Avenue, Fresno
- APNs: 449-270-56
- Motel currently has 48 Rooms
- Owner: Akshar, Inc.
- Purchase Price is \$3 million
- Estimated value \$3 million (appraisal pending)
- Board ratified Purchase and Sale Agreement on August 25, 2020
- On October 9, 2020 the governor's office released award reservation notifications for the waitlisted applications, including Day's Inn
- Staff applied to the City of Fresno for operating support



Parkside Inn (Fresno) Aerial



Olive Avenue



Welcome Inn

- Located at 777 N Parkway Drive, Fresno
- APNs: 449-335-19, 449-342-01
- Motel currently has 80 Rooms
- Owner: Shrigi, Inc.
- Purchase Price is \$4.4 million
- Estimated value \$4.4 million (appraisal pending)
- Board ratified Purchase and Sale Agreement on August 25, 2020
- On October 9, 2020 the governor's office released award reservation notifications for the waitlisted applications, including Day's Inn
- Staff applied to the City of Fresno for operating support



Welcome Inn (Fresno) Aerial



Belmont Avenue



Homekey – Parkway Financing Summary

Project HomeKey: Development and Op Subsidy (Yr 1-2)					Aug. 2020
	# of Doors	Acquisition	Repairs & Soft Costs	Op Subsidy	Total
Days Inn	98	\$ 4,790,000	\$ 1,063,179	\$ 400,000	\$ 6,253,179
Motel 99	99	\$ 4,425,000	\$ 834,125	\$ -	\$ 5,259,125
Parkside Inn	50	\$ 3,000,000	\$ 706,980	\$ -	\$ 3,706,980
Welcome Inn	80	\$ 4,400,000	\$ 906,163	\$ 400,000	\$ 5,706,163
TOTAL	327	\$16,615,000	\$ 3,510,447	\$ 800,000	\$20,925,447

Project HomeKey: Development and Op Subsidy (Yr 1-2)					10.6.20
	# of Doors	Acquisition	Repairs & Soft Costs	HK Op Subsidy	Total
Days Inn	98	\$ 4,790,000	\$ 1,068,779	\$ 1,639,643	\$ 7,498,422
Motel 99	99	\$ 4,425,000	\$ 834,125	\$ 2,014,684	\$ 7,273,809
Parkside Inn	50	\$ 3,000,000	\$ 759,124	\$ 1,001,943	\$ 4,761,067
Welcome Inn	80	\$ 4,400,000	\$ 906,163	\$ 1,782,114	\$ 7,088,277
TOTAL	327	\$ 16,615,000	\$ 3,568,191	\$ 6,438,384	\$ 26,621,575

Local Operating Subsidy (Yr 3-5)					10.6.20
	# of Doors	Turning Point	City of Fresno	FHA	
Days Inn	97	\$ -	\$ 1,539,609	\$ 1,156,033	\$ 2,695,642
Motel 99	98	\$ 2,700,000	\$ 132,375	\$ 476,219	\$ 608,594
Parkside Inn	47	\$ 1,000,000	\$ 645,567	\$ -	\$ 645,567
Welcome Inn	79	\$ -	\$ 2,798,695	\$ 125,836	\$ 2,924,531
TOTAL	321	\$ 3,700,000	\$ 5,116,246	\$ 1,758,088	\$ 6,874,334

Homekey – City of Fresno Funding

City of Fresno Commitment Letters		9/18/2020
	Ops Subsidy	Perm Capital
Days Inn	\$ 1,539,609	\$ 1,500,000
Motel 99	\$ 612,375	\$ 1,500,000
Parkside Inn	\$ 1,891,459	\$ 1,500,000
Welcome Inn	\$ 2,798,695	\$ 1,500,000
Total	\$ 6,842,138	

City of Fresno Operating Subsidy Summary				10.6.20
	Year 3	Year 4	Year 5	Total
Days Inn	\$ 494,644	\$ 513,099	\$ 531,866	\$ 1,539,609
Motel 99	\$ -	\$ -	\$ 132,375	\$ 132,375
Parkside Inn	\$ -	\$ 77,446	\$ 568,121	\$ 645,567
Welcome Inn	\$ 899,433	\$ 932,708	\$ 966,554	\$ 2,798,695
Total	\$ 1,394,077	\$ 1,523,253	\$ 2,198,916	\$ 5,116,246



Mayor Lee Brand

September 18, 2020

Preston Prince, CEO
Fresno Housing Authority
1331 Fulton Street
Fresno, CA 93721

Re: State of California Homekey Program – Motel 99
Funding Commitment

Dear Mr. Prince,

Please accept this letter as a commitment from me, as the Mayor of the City of Fresno, to seek the approval of the City Council to provide funding for operational support and services support for temporary shelter for residents in the proposed Homekey Program being proposed by the Fresno Housing Authority (FHA).

FHA's proposal includes requests for \$4,425,000 for acquisition costs and \$834,125 for minor repairs and soft costs.

The shelter operations and services that would result as part of this application would be located at the current Motel 99 (APN 449 232 01, 449 232 02), 1240 Crystal Avenue, Fresno, CA and will ultimately provide permanent housing for residents.

In addition, a portion of the facility will operate as interim housing for a period of from two to five years with services. Operations and services at this location are being provided by a number of partners, including Fresno Housing Authority, as described in the application budget.

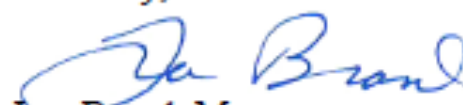
As Mayor, the City of Fresno also commits to work with Fresno Housing Authority to identify and secure the following support funding for this project:

1. A portion of the operational funding necessary to support this project for two to five years in the amount of up to \$612,375.
2. A portion of the costs related to conversion and development of this property into permanent affordable housing in the amount of at least \$1.5 million.

Support for this project will likely use a combination of CARES Act, ESG, ESG-CV2, CDBG-CV, HOME or PHLA Funds.

Should you have any questions regarding this commitment, please contact me at (559) 396-9596.

Sincerely,

A handwritten signature in blue ink, appearing to read "Lee Brand".

Lee Brand, Mayor
City of Fresno

Alamos Motel

- Located at 36010 S. Lassen Avenue, Huron
- APNs: 075-110-16 S
- Motel currently has 25 Rooms
- Owner: Patel Avni
- Purchase Price is \$1.1 million
- Board ratified Purchase and Sale Agreement on August 25, 2020
- On October 9, 2020 the governor's office released award reservation notifications for the waitlisted applications, including Day's Inn
- Staff applied to the City of Fresno for operating support



Alamos Motel (Huron) Aerial



Alamos Motel Area Map





Homekey – Huron Financing Summary

Project HomeKey: Development and Op Subsidy (Yr 1-2)					Aug. 2020
	# of Doors	Acquisition	Repairs & Soft Costs	Op Subsidy	Total
Alamos Motel	25	\$ 1,100,000	\$ 355,974	\$ 125,000	\$ 1,580,974
TOTAL	25	\$ 1,100,000	\$ 355,974	\$ 125,000	\$ 1,580,974
Project HomeKey: Development and Op Subsidy (Yr 1-2)					10.6.20
	# of Doors	Acquisition	Repairs & Soft Costs	FHA Op Subsidy	Total
Alamos Motel	25	\$ 1,100,000	\$ 475,974	\$ 576,000	\$ 2,151,974
TOTAL	25	\$ 1,100,000	\$ 475,974	\$ 576,000	\$ 2,151,974
Local Operating Subsidy (Yr 3-5)					10.6.20
	# of Doors	Acquisition	Other	FHA	
Alamos Motel	25	\$ -	\$ -	\$ 962,783	\$ 962,783
		\$ -	\$ -		
TOTAL	25	\$ -	\$ -	\$ 962,783	\$ 962,783

Questions?