



REPORT TO THE CITY COUNCIL

AGENDA ITEM NO.:
COUNCIL MEETING: March 20, 2007
APPROVED BY
DEPARTMENT DIRECTOR 
CITY MANAGER

March 20, 2007

FROM: KEITH BERGTHOLD, Acting Director
Planning and Development Department

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Housing and Community Development Division

SUBJECT: ADOPT RESOLUTION OF PUBLIC USE AND ACCEPTANCE FOR CONDITIONAL APPROVAL OF PURCHASE OF FIVE VACANT PARCELS (2.3 NET ACRES) LOCATED IN SOUTHWEST FRESNO (HUGHES-WEST DIAGONAL) UTILIZING \$364,500 IN HOME PROGRAM FUNDS FOR THE DEVELOPMENT OF MIXED INCOME SINGLE-FAMILY HOUSING

KEY RESULT AREA

One Fresno

RECOMMENDATION

Staff recommends that City Council adopt the Resolution of Public Use and Acceptance for the conditional approval of the purchase of five vacant parcels, totaling approximately 2.3 acres, located at 1122/1136/1150/1166/1212 S. West, from the State of California utilizing \$364,500 in HOME Investment Partnerships (HOME) Program funds, for the development of a mixed income single-family housing project.

EXECUTIVE SUMMARY

The City's Housing and Community Development Division proposes to purchase five parcels from the California Department of Transportation, totaling approximately 2.3 net acres and located in southwest Fresno at the intersection of the Hughes-West Diagonal, at West Avenue (Exhibit A - Location Map). The City proposes to facilitate development of the site into approximately 10 - 20 mixed income single-family homes. The purchase price for the properties is \$364,500, the fair market appraised value. The City will return to HCDC and Council with a formal agreement to purchase the properties and a public/private development partnership for construction of the housing units at a later date.

KEY OBJECTIVE BALANCE

Approval of the property acquisition presents an opportunity to make a positive impact to the Customer Satisfaction, Employee Satisfaction, and Financial Management Key Objectives. The approval impacts the Customer Service aspect by demonstrating the City's commitment to ensuring decent housing for all income levels. The approval also contributes to Employee Satisfaction by supporting staff efforts that help to achieve the Housing Element goals of producing housing units. In addition, it demonstrates Financial Management by ensuring prudent use of both state and local resources.

BACKGROUND

The California Department of Transportation (Cal-Trans) provided the City an offer to sell surplus land on March 1, 2007. The properties are located on the Hughes-West Diagonal at S. West Avenue and total

approximately 2.37 net acres. Cal-Trans has required the City to sign an offer to purchase and submit a Resolution of Public Use and Acceptance, and submit the documents by March 30, 2007. The recommended action will authorize the City's Planning and Development Director to sign the necessary documents.

The purchase is conditioned on the City's completion of all necessary environmental review, other due diligence, and City Council approval of the eventual purchase and sale agreement. The Environmental Assessment for the project, consistent with the use of federal funds, is underway.

The City proposes to facilitate the development of 10-20 mixed income single family homes on the site. The purchase price for the five properties is \$364,500, the fair market appraised value.

The City's Housing and Community Development Division will return to HCDC and Council with a formal agreement to purchase the properties and housing development project at a later date.

HOUSING AND COMMUNITY DEVELOPMENT COMMISSION

The Housing and Community Development Commission recommended approval of this item on March 14, 2007.

FISCAL IMPACT

HOME Program funds for acquisition and related costs are available in the Planning and Development Department's FY 2007 Budget

APPENDICES

Exhibit A - Location Map

Exhibit B - Resolution of Public Use and Acceptance

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO,
CALIFORNIA CERTIFYING PUBLIC USES UPON
ACCEPTANCE OF SURPLUS CALIFORNIA DEPARTMENT OF
TRANSPORTATION PROPERTIES

WHEREAS, the California Department of Transportation (Caltrans) has issued an offer to sell surplus state property to the City of Fresno in reference to five parcels located at 1122/1136/1150/ 1166/1212 S. West, totaling 2.3 net acres of vacant land ("Property"); and

WHEREAS, City staff is working with Caltrans in preparing documents/instruments for City's purchase of the Property and will return to Council for approval of Property acquisition; and

WHEREAS, procedures established by Caltrans require that the City's governing body certify by resolution City's intended public use of the property upon Council approved acceptance of the Property.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FRESNO THAT:

1. Upon any Council approval of Property acquisition, the Property will be used for and restricted to affordable housing purposes and uses, (the "Public Use"), subject to constitutional and local law requirements; and
2. City's acceptance of the Property will be for the above Public Use; and
3. Nothing herein binds the City to make any expenditure, incur any indebtedness, or proceed with the Property acquisition; and
4. The Director of Planning and Development and designee(s) thereof and each of them, as agents for the City of Fresno are hereby authorized to execute and submit any and all documents required hereunder, subject to prior approval as to form by the City Attorney's Office.

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