April 9, 2020

Substantial Amendment 2019-1 to the 2019 Annual Action Plan

Section 108 Loan Guarantee Application for the Construction of a Multigenerational Center

Planning and Development Department
2600 Fresno Street, Room 3065
Fresno, CA 93721
(559) 621-8003
www.fresno.gov
Overview

As a recipient of Community Development Block Grant (CDBG) funding, the City of Fresno is eligible to participate in the Section 108 Loan Guarantee program administered by the U.S. Department of Housing and Urban Development (HUD). Under this program, the City is able to leverage up to five times its annual CDBG allocation for large community development investments.

In its 2014-2019 Consolidated Plan, the City identified the provision of public facility improvements to strengthen neighborhood revitalization, and assistance to low-income and special needs households as two of its goals. These goals were driven by a strong demand for services and facilities to meet the needs of youth, seniors, and neighborhoods, with many expressing a desire to see multiple services integrated into one common space. In an effort to meet these goals, the City of Fresno is proposing to apply for a Section 108 Loan Guarantee to fund the construction of a new multi-generational community center and improved park facilities that will increase the quality of life for the low and moderate income population in the surrounding neighborhoods. Specifically, a multi-generational community center would improve the quality of life for constituents by providing after school activities for youth, senior enrichment activities, recreational space, meeting space, and improved green space with sports fields and a tot lot.

Eligible Activities

If approved, the City would use the Section 108 Loan proceeds to construct a public facility on City-owned land that would serve as a multi-generational community center. Under the CDBG regulations, this activity is considered eligible at 24 CFR 570.703 (l) as follows:

(l) Acquisition, construction, reconstruction, rehabilitation or historic preservation, or installation of public facilities (except for buildings for the general conduct of government) to the extent eligible under §570.201(c). ……

The City expects to use all funding available through this application for the specific purpose of developing a multi-generational community center to be used to provide neighborhood youth, senior and recreational services. These funds will not be made available to for-profit and non-profit entities.

National Objective to Be Met

The new multi-generational community center would benefit 16,520 residents in neighborhoods within a half mile radius of the proposed site. According to the latest Low Moderate Income Data based on the 2011-2015 5-Year ACS, 9,805 residents within the radius are low or moderate income residents. With 59% of residents being low and moderate income, the proposed site meets the qualification as a Low Mod Area (24 CFR 570.208(a) (1)).

Proposed Location

The approximately 6-acre subject site is Large Park further identified by APN 428-071-02 and commonly known as 4424 N. Millbrook Avenue, Fresno 93726. Large Park is currently owned by the City, and is bounded on the north by the Thomas Elementary School site (south of E. Gettysburg Avenue and east of N. Millbrook Avenue), on the east by N. 8th Street, on the south by E. Ashcroft Avenue, and on the west by N.
Millbrook Avenue. The subject site is surrounded by low density residential to the east, south, and west and a public school to the north.

**Financing**

The cost of the new facility will be based on a number of factors, including the conceptual plan. The City will conduct a citizen outreach campaign as part of this proposal to identify the features and amenities that residents will want in the new facility. Potential features of the new facility could include but are not limited to:

- Multi-use concept meeting and recreation area with modular walls for small group activities
- Kitchen for warming meals
- Area to accommodate after-school activities and senior activities
- Office space for on-site staff and meetings
- Play area with playground and tot lot
- Expansion of existing on-site parking
- Two sports fields
Based on these factors, the City estimate to construct the facility is $10.75 million. This estimate includes the estimated financing fees associated with the Section 108 Loan Guarantee.

Section 108 loan proceeds would form a key component of the financing for this proposal. The total amount available via the Section 108 Loan Guarantee program will be equal to five times the City’s current annual CDBG entitlement less any unpaid principal on prior loans. The City’s current annual grant is $6,942,458. Based on this allocation, the City can borrow up to $34,347,290, which equals five times the current grant ($34,712,290), less the outstanding loan balance on a current loan of $365,000.

In order to access Section 108 financing, the City proposes to pledge a portion of its future CDBG grants (Program Years 2020 – 2039) as collateral for repayment. The City proposes to use the maximum repayment period allowable, twenty years, in order to minimize the potential reduction of any given year. In the event the United States Congress terminates the CDBG program prior to loan payoff, the City pledges the subject land and improvements as collateral.

The City will request Section 108 loan proceeds in the amount of $7,500,000. The remainder of funding would come from CDBG entitlement previously approved and a proposed General Fund repayment to the City’s CDBG letter of credit partially reprogrammed to this project.

<table>
<thead>
<tr>
<th>SOURCE OF FUNDING</th>
<th>AMOUNT</th>
<th>FUNDING TYPE</th>
<th>STATUS</th>
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<td>CDBG 108 Loan Guarantee</td>
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<td>Repayable Loan</td>
<td>Subject Request</td>
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<td>General Fund</td>
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<td>General Fund</td>
<td>Previously identified for this purpose and paid to CDBG Letter of Credit per proposed Substantial Amendment 2019-02</td>
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<tr>
<td>CDBG Project Savings</td>
<td>$52,818.52</td>
<td>Grant</td>
<td>Proposed Substantial Amendment 2019-02</td>
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<td>TOTAL</td>
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The City is estimating the following financing terms for the Section 108 funds:

- 2.58% Financing fee, equal to $193,500 ($7,500,000 x .0258)
- 20 Year term with variable rate interest based on 20 Year Treasury note, currently at 1.93% (as of February 12, 2020)
- The facility would serve as collateral for the loan. The Section 108 loan would be in first position with no other loans secured by the facility.

The city plans on incurring eligible costs prior to the Section 108 Loan Guarantee commitment. The City is requesting permission to reimburse itself for pre-award costs per 24 CFR §570.200(h).
A proposed debt service schedule is attached to this proposal.
Additional Information

The City followed its adopted Citizen Participation Plan to receive citizen input on this proposal, including the following activities which allowed citizens to participate and comment on the proposal.

Public Hearing
The City held a public hearing regarding this proposal in front of the Housing and Community Development Commission on February 26, 2020. Three comments were received and are included as an attachment to this application. A second public hearing will be held at City Hall on April 9, 2020 in City Council Chambers. The City offered accommodations by request and offered interpretation for Spanish and Hmong.

Public Comment Period
The City accepted written public comments regarding this proposal from February 21 to March 23, 2020. No written comments were received. Comments presented at the February 26, 2020 Public Hearing at a meeting of the Housing and Community Development Commission are attached, and any additional comments received at the April 9, 2020 Public Hearing at City Council will also be attached to the final application to HUD.

Comments were accepted by email to HCDD@fresno.gov or in writing to:

**By U.S. Mail:**
City of Fresno Housing and Community Development Division
2600 Fresno Street, CH3N3065
Fresno, CA 93721

**In person or via courier:**
City of Fresno Housing and Community Development Division
2600 Fresno Street, Third Floor, Room 3076
Fresno, CA 93721

For additional information regarding this proposal, please contact the City of Fresno Housing and Community Development Division at 559-621-8300.

Upon completion of the public participation process, the City will consider the input received, amend the application accordingly, and publish the final application before submittal to HUD for review.
**Attachment 1: Proposed Debt Service Schedule**

Principal Amount: $7,500,000  
Interest Rate: varies  
Term (Years): 20  
Payments (Semi-annual): 40

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<th>Payment Date</th>
<th>Est. Semi Rate</th>
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<th>Semi-Annual Interest Payment</th>
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$9,621,000  $2,121,000  $7,500,000  $9,621,000
Description of Facility
The City would like to create a multigenerational community center that provides recreation and enrichment activities for neighborhood residents. The main features of the facility would be a multi-use concept meeting and recreation area with modular walls for small group activities, a kitchen for warming meals, an area to accommodate after-school activities and senior activities, a play area with playground and tot lot, two sports fields, office space for staff and meetings, and an expansion of existing on-site parking. The city will endeavor to implement the design guideline recommendations outlined in the Parks Master Plan adopted by the City on January 25, 2018, available on the City’s website. The Parks Master Plan Design Guidelines include recommendations for sustainability, public safety, durability, user experience, accessibility, and identity/branding. The mockup below is an example floor plan for a community center from the Parks Master Plan design guidelines. The actual floor plan will be determined through consultation with the community.

The primary uses of the space are expected to be:

- Community enriching activities including after school programs and senior programs, to potentially include meal service
- Sports programming including field reservations and soccer programs
- Recreation and fitness activities utilizing green space and playground equipment
- Community events and meetings

Market Need for Facility
The Parks Master Plan includes a Needs Assessment which concluded that needs exist in the ‘Existing Neighborhoods South of Shaw’ park planning area both currently and in a projection of conditions in 2035. Community feedback specifically identified Large Park, the proposed site of the multigenerational center,
as a priority park for improvement. The neighborhoods surrounding the proposed site were further identified as lacking access to park amenities such as playgrounds, shaded picnic areas, and sports fields.

The Parks Master Plan needs analysis supports that the proposed development would fill an existing market need, would serve to strengthen civic pride, and provide a measured increase in the quality of life for residents.
Site Control
The City currently owns the proposed site. The site is Large Park, identified as APN 428-071-02 and commonly known as 4424 N. Millbrook Avenue, Fresno 93726. The site is approximately 6 acres and is large enough to accommodate the new development.

Summary of Work Completed to Date
The City of Fresno has completed a number of preliminary tasks and is ready to proceed to the next stage of feasibility once it has firm commitments from its funding sources, including the Section 108 loan.

- The City allocated $200,000 in CDBG funding in PY 2018 for the Planning and Design of a Neighborhood Community Center; and an additional $500,000 for a multigenerational center in PY 2019.

- The city distributed an SOQ request for the master plan and design of a new Multi-Generational community center on March 5, 2019.

- The City engaged Krazan & Associates, Inc. on January 17, 2020 to conduct an Environmental Assessment of the proposed site.

- The City is initiating citizen participation initiatives including two public hearings as well as a community workshop and public comment period on the draft plans.

Projected Timeline

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<th>Phase</th>
<th>Duration</th>
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<td>Preliminary Conceptual Design</td>
<td>February 2020 – June 2020</td>
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<tr>
<td>NEPA, Section 106, and SHPO Reviews</td>
<td>February 2020 – April 2020</td>
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<tr>
<td>Final Design and 100% Plans</td>
<td>July 2020 – March 2021</td>
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<tr>
<td>Advertise and Award Construction Contract</td>
<td>April 2021 – June 2021</td>
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<tr>
<td>Construction</td>
<td>August 2021 – September 2022</td>
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Construction Budget
Below is a summary of the proposed sources and uses for the development. A description is provided for each source and use.

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<th>AMOUNT</th>
<th>USES</th>
<th>AMOUNT</th>
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<td>Construction costs</td>
<td>$8,500,000 – $9,000,000</td>
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<td>Section 108 financing costs</td>
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<td>CDBG Project Savings</td>
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**TOTAL** $10,750,000

**TOTAL** $10,750,000

**Sources**

- **CDBG 108 Loan Guarantee ($7,500,000)**
  The City envisions the Section 108 loan proceeds will be used as the primary funding source for the construction of the facility. Without the Section 108 loan, the development would become financially infeasible. The total amount available via the Section 108 Loan Guarantee program will be equal to five times the City’s current allocation less any unpaid principal on prior loans. The City’s current grant is $6,942,458. Based on this allocation, the City can borrow up to $34,347,290, which equals five times the current grant ($34,712,290), less an outstanding loan balance on a current loan of $365,000.

- **CDBG Entitlement – 2018 and CDBG Entitlement - 2019 ($700,000)**
  The City has previously allocated $200,000 and $500,000 of CDBG entitlement funds in 2018 and 2019 respectively for the design and construction of a multigenerational community center.

- **Reprogrammed CDBG Funds ($2,550,000)**
  Pending an additional substantial amendment, the City will reprogram $2.55 million including $52,818.52 of 2019 project savings and a $2,497,181.48 payment to the CDBG letter of credit from General Funds previously identified for this purpose.
Uses

- **Construction – Hard Costs ($8.5 to $9 million)**
  The City has developed estimates for the conceptual floor designs. Construction costs are expected to range from $8.5 to $9 million.

- **Financing Costs**
  The City will be paying the 2.58% financing fee from guaranteed loan proceeds (or CDBG funds), up to $193,500, associated with the use of the Section 108 loan.

- **Other Soft Costs ($1.75 to $2 million)**
  The city will incur other soft costs of $1.75 to $2 million, inclusive of: architectural and engineering design consulting services; project management; plan check/permitting; construction management; and inspection and testing services.

Debt Service
The City anticipates the debt service will be met by future CDBG entitlement funds.

Collateral
The City proposes to pledge a portion of its future CDBG grants (Program Years 2020 – 2039) as collateral for repayment. The City proposes to use the maximum repayment period allowable, twenty years, in order to minimize the impact of the repayment obligation on any given year. In the event that the Federal government terminates the CDBG program or reduces the City’s entitlement amount to a level below the annual debt service prior to loan payoff, the City will pledge the subject land and improvements as collateral.

City’s Capacity to Administer the Project
The City has developed large projects similar in nature, the most recent being Inspiration Park.

The City’s Planning and Development Department would serve as the project lead for the development. The Planning and Development Department are responsible for administering the City’s annual allocations of HUD grants including CDBG, HOME, HOPWA, and ESG. The City considered the potential for federal funding of this project from the very beginning. As such, the Director of Planning and Development has ensured that City staff have conducted preliminary reviews of the proposed project to ensure compliance with all applicable federal regulations, including environmental review and procurement.

Next Steps
The City will complete the Environmental Assessment and procure a design team to prepare detailed plans for the facility and a corresponding cost estimate. At each stage, the City will notify HUD as it moves forward with more detailed information on the construction budget.
Attachment 3:
City of Fresno 2019 – 2020
Annual Action Plan
SUBSTANTIAL AMENDMENT
No. 2019 – 01

Planning and Development Department
Housing and Community Development Division
2600 Fresno Street Room 3076
Fresno CA 93721
(559) 621-8300

April 9, 2020
Summary

The City of Fresno (City) is a federal entitlement community that receives an annual allocation of Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD). As an entitlement community, the City is required to prepare an Annual Action Plan detailing the uses of CDBG funds to meet its affordable housing and community development goals as outlined in its Consolidated Plan. For Program Year 2019-2020, the city is proposing a substantial amendment to the Action Plan to include a $7.5 million Section 108 Loan to fund the construction of a multigenerational center. This effort is in alignment with the City’s goals as stated in the 2015-2019 Consolidated Plan to provide public facilities improvements to strengthen neighborhood revitalization.

The City will accept comments on the proposed substantial amendment for a period of 30 days from February 21, 2020, through March 23, 2020.

Public Hearings:

Housing and Community Development Commission
February 26, 2020 at 5:00 PM
Fresno City Hall, 2600 Fresno Street, Room 2120

City Council
April 9, 2020 at 10:05 AM
Fresno City Hall, 2600 Fresno Street, City Council

Council Consideration and Adoption
April 9, 2020, following the close of the Public Hearing
commencing at 10:05 AM
Fresno City Hall, 2600 Fresno Street, 2nd Floor, Council Chambers

Public Comments:

City of Fresno
Planning and Development Department
Attn: Housing and Community Development Division
2600 Fresno Street Room 3076
Fresno CA 93721

Phone: (559) 621-8300
Fax: (559) 559-457-1054
TTY: (559) 621-8721
Email: HCDD@fresno.gov (Please type “2019 Amendment” in the message subject line)
The City of Fresno will allocate $7,500,000 of CDBG Section 108 Loan funding for Program Year 2019 for the design and construction of a multi-generational community center with a proposed location of Large Park, 4424 N. Millbrook Avenue, Fresno 93726. The multigenerational center will be designed based on community input and may include a multi-use concept meeting and recreation area with modular walls for small group activities, a kitchen for warming meals, an area to accommodate afterschool activities and senior activities, a play area with playground and tot lot, two soccer fields, office space for staff and meetings, and an expansion of existing on-site parking. The remainder of the estimated $10,750,000 will be funded using $700,000 in CDBG entitlement funds previously allocated in program year 2018 and 2019, and $2,550,000 in CDBG entitlement funds to be reprogrammed with a subsequent amendment.
Additional details are provided in the below table (AP-38 format)

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<thead>
<tr>
<th>IDIS Project ID No. 2019 / 7</th>
<th></th>
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<tbody>
<tr>
<td><strong>Project Name</strong></td>
<td>Multigenerational Community Center</td>
</tr>
<tr>
<td><strong>Target Area</strong></td>
<td>N. Millbrook Avenue at Ashcroft Avenue</td>
</tr>
<tr>
<td><strong>Goals Supported</strong></td>
<td>Public Facilities and Public Improvements</td>
</tr>
<tr>
<td><strong>Needs Addressed</strong></td>
<td>Public Facilities and Public Improvements</td>
</tr>
<tr>
<td><strong>Funding</strong></td>
<td>CDBG: $ 7,500,000.00</td>
</tr>
<tr>
<td><strong>Description</strong></td>
<td>Funds will be used to design and construct a multigenerational community center.</td>
</tr>
<tr>
<td><strong>Target Date</strong></td>
<td>October 17, 2022</td>
</tr>
<tr>
<td><strong>Goal</strong></td>
<td>Multigenerational Community Center</td>
</tr>
<tr>
<td><strong>Location Description</strong></td>
<td>Large Park, 4424 N. Millbrook Avenue, Fresno 93726</td>
</tr>
<tr>
<td><strong>Planned Activity</strong></td>
<td>03E - Neighborhood Facilities 24 CFR 570.201(c) Acquisition, construction, or rehabilitation of facilities that are principally designed to serve a neighborhood and that will be used for social services or for multiple purposes (including recreation). Such facilities may include libraries and community centers. facilities may include libraries and community centers.</td>
</tr>
</tbody>
</table>
1. **Tasha Guess** – Ms. Guess introduced herself as a resident of West Fresno who has previously requested play equipment for Californian Tupman Park. Ms. Guess noted that the equipment is scheduled to be installed next month, and then discussed the need for shade structures on account of the heat in Fresno as well as a drinking fountain. Ms. Guess noted that kids that go to Edison High School walk past the park, and by the time they arrive have already walked over half a mile, and that having a drinking fountain for them would be fantastic. Additionally, a lot of Ms. Guess’s neighbors don’t have transportation and walk to the grocery store and other places. She reiterated the need for them to sit and have shade in a place where kids could play with a drinking fountain nearby. Ms. Guess introduced additional neighbors in attendance including the Millers and noted that Pastor Ken from New Beginnings Church, who was not able to be here, also supports the request.

   **City Response:** The improvements currently underway at the site (playground, fencing, and tree planting) all stemmed from this neighborhood’s effort and attendance at previous HCDC community need hearings. The continued improvement of the park remains a high priority for these residents and stakeholders. The City of Fresno PARCS Department supports continuing improvements and would also suggest for consideration (now or future years) to add picnic shelter(s), lighting, a walking path, and park signage. The City of Fresno Planning and Development Department also encourages the residents and stakeholders to submit their requests as comments to the 2020-2024 Consolidated Plan and 2020-2021 Annual Action Plan to HCDD@fresno.gov. The public comment has been considered and accepted.

2. **Victoria Molina** – Ms. Molina introduced herself on behalf of California Tupman Park. Ms. Molina requested shrubs along the pathway of the fence, as well as exercise equipment and a jogging track. Ms. Molina also requested a walking trail at Frank H. Ball Park and expressed how much she would appreciate these amenities.

   **City Response:** The City of Fresno Planning and Development Department encourages the residents and stakeholders to also submit their requests as comments to the 2020-2024 Consolidated Plan and 2020-2021 Annual Action Plan to HCDD@fresno.gov. The public comment has been considered and accepted.

3. **Diane Smith** – Ms. Smith introduced herself as a resident of southwest Fresno, and asked for clarification on the 2018 and 2019 funds, specifically if those funds were being reprogrammed from another project, and if so which project.

   **City Response:** The 2018 and 2019 funds were originally programmed for the subject of this
request, the construction of a Multigenerational Community Center supporting the neighborhoods in the area of Large Park. The public comment has been considered and accepted.

City Council Public Hearing – April 9, 2020

City Council Meeting Public Comments Received

No public comments were received at the April 9, 2020 Public Hearing.
Attachment 5: Certifications

ENTITLEMENT PUBLIC ENTITY CERTIFICATIONS
In accordance with the applicable statutes and the regulations governing Section 108 application submission requirements, the undersigned certifies, on behalf of the entitlement public entity and to the best of his or her knowledge and belief, that:

1. It possesses the legal authority to make the pledge of grants required under 24 CFR 570.705(b)(2);

2. It has made efforts to obtain financing for activities described in the application without the use of the loan guarantee, it will maintain documentation of such efforts for the term of the loan guarantee, and it cannot complete such financing consistent with the timely execution of the program plans without such guarantee;

3. It possesses the legal authority to submit the application for assistance under 24 CFR Part 570, Subpart M and to use the guaranteed loan funds in accordance with the requirements of Subpart M;

4. Its governing body has duly adopted or passed as an official act a resolution, motion or similar official action:
   (a) Authorizing the person identified as the official representative of the public entity to submit the application and amendments thereto and all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the public entity to act in connection with the application to provide such additional information as may be required; and
   (b) Authorizing such official representative to execute such documents as may be required in order to implement the application and issue debt obligations pursuant thereto (provided that the authorization required by this paragraph may be given by the local governing body after submission of the application but prior to execution of the contract required by §570.705(b));

5. Before the submission of its application to HUD, it has:
   (a) furnished citizens with information required by 24 CFR 570.704(a)(2)(i);
   (b) held at least one public hearing to obtain the views of citizens on community development and housing needs;
   (c) prepared its application in accordance with the citizen participation requirements and made the application available to the public;

6. It is following a detailed citizen participation plan that meets the requirements described in §570.704(a)(2);

7. It will affirmatively further fair housing, and the guaranteed loan funds will be administered in compliance with:
   (a) Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.); and
   (b) The Fair Housing Act (42 U.S.C. 3601-3619);
8. In the aggregate, at least 70 percent of all CDBG funds, as defined at §570.3, to be expended during the one, two, or three consecutive years specified by the public entity for its CDBG program will be for activities which benefit low- and moderate-income persons, as described in criteria at §570.208(a);

9. It will comply with the requirements governing displacement, relocation, real property acquisition, and the replacement of low- and moderate-income housing described in §570.606;

10. It will comply with the requirements of 24 CFR 570.200(c)(2) with regard to the use of special assessments to recover the capital costs of activities assisted with guaranteed loan funds;

11. (Where applicable, the public entity may also include the following additional certification.) It lacks sufficient resources from funds provided under this subpart or program income to allow it to comply with the provisions of 24 CFR 570.200(c)(2), and it must therefore assess properties owned and occupied by moderate income persons, to recover the non-guaranteed loan funded portion of the capital cost without paying such assessments in their behalf from guaranteed loan funds;

12. It will comply with the other provisions of title I of the Housing and Community Development Act of 1974 as amended (42 U.S.C. 5301 et seq.) and with other applicable laws.

City of Fresno
(Entitlement Public Entity)

[Signature]
(Signature of Authorized Official)

April 27, 2020
(Date)

Wilma Quan, City Manager
(Typed Name and Title of Authorized Official)
SECTION 108 LOAN GUARANTEE PROGRAM

Certification Regarding Lobbying

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

________________________
City of Fresno

(Entitlement Public Entity)

________________________
Wilma Quan, City Manager

(Typed Name and Title of Authorized Official)

April 27, 2020

(Date)
SECTION 108 LOAN GUARANTEE PROGRAM

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions.

Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

City of Fresno

(Entitlement Public Entity)

[Signature]

(Signature of Authorized Official)

Wilma Quan, City Manager

(Typed Name and Title of Authorized Official)

April 27, 2020

(Date)
Attachment 6: Public Notices and Citizen Outreach

The City followed its adopted Citizen Participation Plan to receive citizen input on this proposal. The City undertook the following activities to allow citizens to participate and comment on the proposal.

Summary of Public Notices and Announcements
The City posted multiple public notices in newspapers, at community centers and libraries, and online throughout the comment period.

Public Notice of Comment Period
- Public Notice of Comment Period & Public Hearings published in The Fresno Bee on January 27, 2020, and Spanish language newspaper Vida en el Valle on February 5, 2020
- Printed notices posted at 18 community and neighborhood centers & Fresno County Libraries
- Notice read on-air in Hmong on radio station KBIF
- Posted to City of Fresno Facebook account
- Email distribution to Housing and Community Development stakeholder list with 500+ recipients
- Notice posted on the City Clerk’s website

Public Comment Period
The City accepted written public comments regarding this proposal from February 21 to March 23, 2020.

Public Review Documents
Draft documents were made available at the following locations:
- Office of the City Clerk and Administration Office of the Planning and Development Department at Fresno City Hall, 2600 Fresno Street.
- 18 Neighborhood and Community Centers operated by the City of Fresno PARCS Department
- Fresno County Public Libraries located within the City of Fresno
- Online at the City Clerk’s website and the website of the Housing and Community Development Division
- Announcements and links to draft documents published on City of Fresno Facebook and Twitter social media accounts
- Announcements and links sent to distribution list of 500+ Housing and Community Development stakeholders including opted-in attendees of community meetings in support of Consolidated Plan and Annual Action Plan meetings and hearings
Public comments were accepted through the following means:

City of Fresno
Planning and Development Department
Attn: Housing and Community Development Division
2600 Fresno Street Room 3076
Fresno CA 93721

Phone: (559) 621-8300
Fax: (559) 559-457-1054
TTY: (559) 621-8721
Email: HCDD@fresno.gov

Public Hearings

The City held two public hearings regarding this proposal.

**Housing and Community Development Commission Public Hearing**
February 26, 2020 at 5:00 PM
Fresno City Hall, 2600 Fresno Street, Room 2120

**City Council Public Hearing**
April 9, 2020 at 10:05 AM
Fresno City Hall, 2600 Fresno Street, City Council with remote participation

Council Consideration and Adoption

**City Council Consideration**
April 9, 2020, following the close of the Public Hearing commencing at 10:05 AM
Fresno City Hall, 2600 Fresno Street, 2nd Floor, Council Chambers with remote participation

**April 9, 2020 Public Hearing Virtual Participation Instructions**
In response to the Stay-at-Home orders issued in response to the COVID-19 pandemic, the April 9, 2020 City Council Public Hearing was conducted with remote participation only.

Residents were provided the following options for participation:
- Submit an eComment using a form on the City’s website linked from the City Council Agenda
- Using web application Zoom to both watch the Council meeting and ‘raise hand’ to be called upon to comment
- Calling a dedicated phone number to both listen to the Council meeting and ‘raise hand’ by making a selection on their keypad to be added to a queue to comment.
- Separate phone numbers were provided for Spanish and Hmong, staffed by interpreters ready to interpret the meeting and translate comments
- By emailing the City Clerk directly with their comment
Instructions for participation were disseminated by the following means:

- Posted on kiosk outside City Hall
- Online at the City Clerk’s website and the website of the Housing and Community Development Division
- Distributed with the April 9, 2020 City Council Agenda
- Posted to City of Fresno Facebook and Twitter accounts
- Push notification on the City’s mobile application, FresGo, to 30,000+ users (auto-translated to language specified by user when installing application)
- Sent to distribution list of 500+ Housing and Community Development stakeholders including opted-in attendees of community meetings in support of Consolidated Plan and Annual Action Plan meetings and hearings
- Read in Hmong on radio station KBIF
Public Notice – Fresno Bee

Exhibits: Public Notices & Communications

Affidavit of Publication

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<th>All Number</th>
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<td>123</td>
<td>987654</td>
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</table>

Attention: Edward Chinovar
CITY OF FRESNO
HOUSING DIVISION
2800 FRESNO ST, ROOM #3065
FRESNO, CA 93721-3904

PUBLIC NOTICE

#4641157
CITY OF FRESNO
PUBLIC REVIEW OF LIDBENTAL AMENDMENT NO. 2019-01 TO 2019-20 ANNUAL ACTION PLAN

The City of Fresno, in the annual adoption of its Community Development Block Grant (CDBG) Funding Agreement, submitted to the U.S. Department of Housing and Urban Development (HUD), the City adopted a 2019-2020 Annual Action Plan on May 2, 2019, including this action submitted with the CDBG Program. This action is presented for compliance to the Action Plan in wake of a 12.4 million dollar 
loan to fund the construction of a multipurpose and center.

A public hearing to receive comment on the Substantive Amendment and the proposed level of funds will be held at the Housing and Community Development Commission meeting on Wednesday, February 26, 2020, at 1:00 pm, at Fresno City Hall, 2800 Fresno Street, Room 100, second floor. A public hearing and action plan will be held by the City Council on Thursday, April 9, 2020. The meeting locations are physically accessible. Services of an interpreter and additional accommodations such as audio-amplification devices can be made available. Requests for accommodations should be made at least five working days prior to the meeting dates by contacting the meeting officer, at (559) 912-8000, by email at meetings@fresno.gov.

The Substantive Amendment is available for a 30-day review beginning February 21, 2020 and ending on March 13, 2020. The amendment can be viewed at City Hall in the City Clerk’s Office 213 or the Housing and Community Development Division Room 204. The report can also be found at Fresno County Library, City Neighborhood Centers, and at www.fresno.gov/housing/commdev/amendment.

All comments are encouraged and may be submitted to the City of Fresno, Housing and Community Development Division, 2800 Fresno Street, Room 3065, Fresno, California 93721, or via email at HGCD@Fresno.gov.

For more information, call (559) 912-8000 or visit our website at www.fresno.gov/housing/commdev/amendment.

I certify (or decline) under penalty of perjury that the foregoing is true and correct.

Date: January 27, 2020

[Signature]

Extra charge for lost or mutilated affidavits.
Legal document please do not destroy.
CIUDAD DE FRESNO
REVISIÓN PÚBLICA DE LA ENMIENDA SUSTANCIAL NO. 2019-01
A PLAN DE ACCIÓN ANUAL 2019-2020

La Ciudad de Fresno es beneficiaria de fondos anuales federales del Bloque de Desarrollo Comunitario (CDBG – Community Development Block Grant) administrados por el Departamento de Vivienda y Desarrollo Urbano de los Estados Unidos (HUD). La ciudad adoptó un Plan de Acción Anual 2019-2020 el 2 de Mayo del 2019, que especifica las actividades financiadas por el programa CDBG. La ciudad propone una enmienda al Plan de Acción para incluir un préstamo de $7.5 millones de la sección 108 para financiar la construcción de un centro multigeneracional.

Una junta pública para recibir comentarios para la Enmienda Sustancial y el propuesto uso de fondos se llevará a cabo en la Junta de Comisión de Vivienda y Desarrollo Comunitario el Miércoles 26 de Febrero del 2020 a las 5:00 p.m. en el Ayuntamiento de la Ciudad de Fresno, 2600 Fresno Street, Salón 2130, segundo piso. El Jueves 9 de Abril del 2020 se llevará a cabo una junta pública y será un elemento de acción en la reunión del Concejo Municipal. Los lugares de reunión son físicamente accesibles. Se pueden prestar servicios de un intérprete y servicios adicionales, como disponibilidad de asistencia auditiva. Solicitudes de estos requisitos deben hacerse mínimo cinco días antes de las fechas de la junta contactándose a la División de Vivienda, al (559) 621-8300, por TTY (559) 621-8721, o enviando un correo electrónico a HCDI@fresno.gov.

La Enmienda Sustancial está disponible para inspección por 30 días a partir del 21 de Febrero del 2020 y finaliza el 23 de Marzo del 2020. La enmienda se puede ver en el Ayuntamiento de la Ciudad de Fresno en la Oficina del Secretario de la Ciudad (Salón 2133) y en la División de Vivienda y Desarrollo Comunitario (Salón 3076). El informe también se puede encontrar en las Bibliotecas del Condado de Fresno, los Centros Públicos de la Ciudad y en www.fresno.gov/dame/housing/community-development/.

Se animan comentarios escritos y se pueden remitir a la Ciudad de Fresno, División de Vivienda y Desarrollo Comunitario, 2600 Fresno Street, Salón 3076, Fresno, California 93721, o por correo electrónico a HCDI@fresno.gov.

Adj #45441178
The City of Fresno is the annual recipient of federal Community Development Block Grant (CDBG) funds provided by the U.S. Department of Housing and Urban Development (HUD). The City adopted a 2019-2020 Annual Action Plan on May 2, 2019, detailing the activities funded with the CDBG Program. The city is proposing an amendment to the Action Plan to include a $7.5 million section 108 loan to fund the construction of a multigenerational center.

A public hearing to receive comments on the Substantial Amendment and the proposed use of funds will be held at the Housing and Community Development Commission meeting on Wednesday, February 26, 2020, at 5:00 p.m. at Fresno City Hall, 2600 Fresno Street, Room 2120, second floor. A public hearing and action item will be held at the City Council on Thursday, April 2, 2020. The meeting locations are physically accessible. Services of an interpreter and additional accommodations such as assistive listening devices can be made available. Requests for accommodations should be made at least five calendar days prior to the meeting dates by contacting the Housing Division, at (559) 621-8300, by TTY (559) 621-8721, or by emailing HCDD@fresno.gov.

The Substantial Amendment is available for a 30-day review beginning February 21, 2020 and ending on March 23, 2020. The amendment can be viewed at City Hall in the City Clerk’s Office (Room 2133) and the Housing and Community Development Division (Room 3076). The report can also be found at Fresno County Libraries, City Neighborhood Centers, and at www.fresno.gov/arm/housing-community-development.

Written comments are encouraged and may be submitted to the City of Fresno, Housing and Community Development Division, 2600 Fresno Street, Room 0076, Fresno, California 93721, or via email to HCDD@fresno.gov.
Dear Fresno Resident,

You are receiving this email because you have previously expressed interest in receiving updates related to the City of Fresno’s (City) Housing and Community Development efforts. If you no longer wish to receive e-mails like this, please simply reply with the word STOP to be removed from future messages.

CITY OF FRESNO
PUBLIC REVIEW OF SUBSTANTIAL AMENDMENT NO. 2019-01 TO 2019-2020 ANNUAL ACTION PLAN

The City of Fresno is the annual recipient of federal Community Development Block Grant (CDBG) funds provided by the U.S. Department of Housing and Urban Development (HUD). The City adopted a 2019-2020 Annual Action Plan on May 2, 2019, detailing the activities funded with the CDBG Program. The City is proposing an amendment to the Action Plan to include a $7.5 million section 108 loan to fund the construction of a multigenerational center.

A public hearing to receive comments on the Substantial Amendment and the proposed use of funds will be held at the Housing and Community Development Commission meeting on Wednesday, February 26, 2020, at 5:00 p.m. at Fresno City Hall, 2800 Fresno Street, Room 2120, second floor. A public hearing and action item will be held at the City Council on Thursday, April 9, 2020. The meeting locations are physically accessible. Services of an interpreter and additional accommodations such as assistive listening devices can be made available. Requests for accommodations should be made at least five calendar days prior to the meeting dates by contacting the Housing Division, at (559) 621-8300, by TTY (559) 621-8721, or by emailing HCDD@fresno.gov.

The Substantial Amendment is available for a 30-day review beginning February 21, 2020 and ending on March 23, 2020. The amendment can be viewed at City Hall in the City Clerk’s Office (Room 2133) and the Housing and Community Development Division (Room 3076). The report can also be found at Fresno County Libraries, City Neighborhood Centers, and at www.fresno.gov/city/housing-community-development.

Written comments are encouraged and may be submitted to the City of Fresno, Housing and Community Development Division, 2600 Fresno Street, Room 3076, Fresno, California 93721, or via email to HCDD@fresno.gov.

Yog xav paub ntxiv, thov hau rau 559-621-8300 los yog xav ntawv rau tws email HCDD@fresno.gov
CIUDAD DE FRESNO
REVISIÓN PÚBLICA DE LA ENMIENDA SUSTANCIAL NO. 2019-01
A PLAN DE ACCIÓN ANUAL 2019-2020

La Ciudad de Fresno es beneficiaria de fondos anuales federales del Bloque de Desarrollo Comunitario (CDBG – Community Development Block Grant) suministrados por el Departamento de Vivienda y Desarrollo Urbano de los Estados Unidos (HUD). La ciudad adoptó un Plan de Acción Anual 2019-2020 el 2 de Mayo del 2019, que especifica las actividades financiadas por el programa CDBG. La ciudad propone una enmienda al Plan de Acción para incluir un préstamo de $7.5 millones de la sección 108 para financiar la construcción de un centro multigeneracional.

Una junta pública para recibir comentarios para la Enmienda Sustancial y el propuesto uso de fondos se llevarán a cabo en la junta de la Comisión de Vivienda y Desarrollo Comunitario el Miércoles 26 de Febrero del 2020 a las 5:00 p.m. en El Ayuntamiento de la Ciudad de Fresno, 2600 Fresno Street, Salón 2120, segundo piso. El Jueves 9 de Abril del 2020 se llevará a cabo una junta pública y un elemento de acción en la reunión del Concejo Municipal. Los lugares de reunión son físicamente accesibles. Se pueden proveer servicios de un intérprete y servicios adicionales, como dispositivos de asistencia auditiva. Solicitudes de estos requerimientos deben hacerse mínimo cinco días antes de las fechas de la junta contactando a la División de Vivienda, al (559) 621-8300, por TTY (559) 621-8721, o enviando un correo electrónico a HCDD@fresno.gov.

La Enmienda Sustancial está disponible para indagación por 30 días a partir del 21 de febrero del 2020 y finaliza el 23 de Marzo de 2020. La enmienda se puede ver en El Ayuntamiento de la Ciudad de Fresno en la Oficina del Secretario de la Ciudad (Salón 2133) y en la División de Vivienda y Desarrollo Comunitario (Salón 3076). El informe también se puede encontrar en las Bibliotecas del Condado de Fresno, los Centros Públicos de la Ciudad y en www.fresno.gov/dam/housing-community-development.

Se animan comentarios escritos y se pueden remitir a la Ciudad de Fresno, División de Vivienda y Desarrollo Comunitario, 2600 Fresno Street, Salón 3076, Fresno, California 93721, o por correo electrónico a HCDD@fresno.gov.

27 de Enero de 2020

Housing and Community Development Division
City of Fresno Planning and Development Department
2600 Fresno Street • Fresno CA 93721
Twitter – Public Review

City of Fresno 🌟 @CityOfFresno - Feb 25
(3/3) Residents are invited to submit their comments to the City of Fresno, Housing and Community Development Division, 2600 Fresno Street, Room 3076, Fresno, California 93721, or by emailing HCDD@fresno.gov.

Show this thread

City of Fresno 🌟 @CityOfFresno - Feb 25
(2/3) The proposed Substantial Amendment to the 2019-2020 Annual Action Plan and the Draft Section 108 Loan Guarantee Application are available for a 30-day public comment period, available at fresno.gov/darm/housing-c...

Show this thread

City of Fresno 🌟 @CityOfFresno - Feb 25
The City is proposing to apply for a Section 108 Loan Guarantee to fund construction of a new multi-generational community center and improved park facilities that will increase the quality of life for the low & moderate income population in the surrounding neighborhoods. (1/3)

Show this thread

Facebook – Public Review

The City of Fresno is proposing to apply for a Section 108 Loan Guarantee to fund the construction of a new multi-generational community center and improved park facilities that will increase the quality of life for the low and moderate income population in the surrounding neighborhoods. The proposed Substantial Amendment to the 2019-2020 Annual Action Plan and the Draft Section 108 Loan Guarantee Application are available for a 30-day public comment period, available at https://www.fresno.gov/darm/housing-community-development/... Residents are invited to submit their comments to the City of Fresno, Housing and Community Development Division, 2600 Fresno Street, Room 3076, Fresno, California 93721, or by emailing HCDD@fresno.gov.

3 Comments 1 Share
Email – Public Review Documents

From: HCDD
Sent: Wednesday, February 26, 2020 9:00 AM
Subject: CITY OF FRESNO – PUBLIC REVIEW DOCUMENT FOR SUBSTANTIAL AMENDMENT 2019-01 TO THE 2019 ANNUAL ACTION PLAN AND SECTION 108 LOAN GUARANTEE APPLICATION FOR THE CONSTRUCTION OF A MULTIGENERATIONAL CENTER

Dear Fresno Resident,

You are receiving this email because you have previously expressed interest in receiving updates related to the City of Fresno’s (City) Housing and Community Development efforts. If you no longer wish to receive emails like this, please simply reply with the word STOP to be removed from future messages.

The City’s Housing and Community Development Division has published the following document for public comment:

- Substantial Amendment 2019-01 to the 2019 Annual Action Plan and Section 108 Loan Guarantee Application for the Construction of a Multigenerational Center

The Substantial Amendment was made available for a 30-day review beginning February 21, 2020 and ending on March 23, 2020. The amendment can be viewed at City Hall in the City Clerk’s Office (Room 2133) and the Housing and Community Development Division (Room 3076). The report can also be found at Fresno County Libraries, City Neighborhood Centers, and at the Housing and Community Development Division webpage.

Written comments are encouraged and may be submitted to the City of Fresno Housing and Community Development Division, 2600 Fresno Street, Room 3076, Fresno, California 93721, or via email to HCDD@fresno.gov. Please also consider sharing the information attached to this message with your networks, and those who may be interested in providing public comments.


Housing and Community Development Division
City of Fresno Planning and Development Department
2600 Fresno Street • Fresno CA 93721
E HCDD@fresno.gov
Residents of Fresno are invited to participate in the April 9, 2020, City Council meeting by phone or electronically. City Hall will be closed to the Public (Emergency Order 2020-12).

To view or listen to the meeting:
• Visit https://fresno.legistar.com/Calendar.aspx and click on the “in progress” link under “video” for the corresponding meeting
• Watch live at 9:00 a.m. on Comcast Channel 96 and AT&T Channel 99

Options for commenting during public comment portions of the meeting (all speakers must state their name for the record):
• Select ‘eComment’ during the meeting at https://fresno.legistar.com/Calendar.aspx (max 150 words)
• Join online using Zoom at https://zoom.us/j/6924105349 - select ‘Participants,’ then ‘Raise Hand’ to request to speak
• Join by phone *67 1-669-900-9128, Meeting ID: 692 410 5349 – press *9 to request to speak
• Email clerk@fresno.gov prior to the meeting – maximum 150 word comments

Spanish and Hmong participation is available for the 10:05 Public Hearings
• Spanish: 978-990-5000, Access Code: 118026
• Hmong: 605-472-5787, Access Code: 982926

If you need special assistance to participate in the Council meeting, please contact the City Clerk’s Office, 559-621-7650 within 48 hours of the meeting.

The City of Fresno thanks you in advance for taking all precautions to prevent spreading COVID-19 virus.
Twitter – Remote Participation

FresGo Push Notification – Remote Participation
Email – Remote Participation

Dear Fresno Resident,

You are receiving this email because you have previously expressed interest in receiving updates related to the City of Fresno’s (City) Housing and Community Development efforts. If you no longer wish to receive emails like this, please simply reply with the word STOP to be removed from future messages.

The April 9, 2020 Public Hearing regarding Substantial Amendment 2019-01 discussing the submission of a Community Development Block Grant Loan Application for the construction of a Multigenerational Community Center at Large Park will be conducted virtually. Participation instructions can be found on the City Council Agenda for April 9, 2020, including multiple options to view, listen, and comment during the Public Hearing in English, Spanish, and Hmong. The Agenda is attached to this email, and can be found at https://fresno.legistar.com/Calendar.aspx. For more information on Substantial Amendment 2019-01, visit the ‘Plans and Reports’ section of the Housing and Community Development Website at http://www.fresno.gov/housing.


Housing and Community Development Division
City of Fresno Planning and Development Department
2000 Fresno Street • CHN 3065 • Fresno CA 93721
E-Mail: HCD@fresno.gov • Phone: 559-621-8300 • TTY: 559-621-8721
Attachment 7: April 9, 2020 City Council Resolution No 2020-082

RESOLUTION NO. 2020-082


WHEREAS, the U.S. Department of Housing and Urban Development (HUD) requires jurisdictions that receive federal entitlement program funds to prepare an Annual Action Plan, which identifies the projects to be funded with Community Development Block Grant (CDBG) Program funds; and

WHEREAS, on May 2, 2019, the Council of the City of Fresno adopted Resolution 2019-096, approving the City of Fresno (City) FY 2019-2020 Annual Action Plan; and

WHEREAS, the City has identified HUD Section 108 CDBG Loan funds as a key component of the financing plan for the construction of a Multigenerational Community Center; and

WHEREAS, the City has prepared a Section 108 Loan Guarantee Application requesting to borrow $7,500,000 to be repaid from future program year CDBG awards; and

WHEREAS, the City has prepared Substantial Amendment 2019-01 to the FY 2019-2020 Annual Action Plan, consistent with the five year Consolidated Plan, which the City Council adopted on June 23, 2015; and

Date Adopted: 04/09/2020
Date Approved: 04/09/2020
Effective Date: 04/09/2020
WHEREAS, the 30 day public review and comment period concluded on April 3, 2020, with three public comments received; and

WHEREAS, the City desires to submit Substantial Amendment No. 2019-01 to the 2019-2020 Annual Action Plan and Section 108 Loan Guarantee Application (Exhibit "A") to HUD.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno as follows:

1. The above recitals are true and correct and incorporated herein.


3. The City Manager is authorized to sign all reasonably required or implicated documents, instruments, and funding agreements in pursuit hereof, subject to prior approval as to form by the City Attorney's Office.
Clerk’s Certification

STATE OF CALIFORNIA )
COUNTY OF FRESNO ) ss.
CITY OF FRESNO )

I, YVONNE SPENCE, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the 9th day of April, 2020.

AYES : Caprioglio, Chavez, Esparza, Karbassi, Soria, Arias
NOES : Bredefeld
ABSENT : None
ABSTAIN : None

YVONNE SPENCE, MMC CRM
City Clerk

BY: ____________________________  4/14/2020
Deputy City Clerk

APPROVED AS TO FORM:
DOUGLAS T. SLOAN
City Attorney

BY: ____________________________  4/14/2020
Tracy N. Parvanian
Senior Deputy City Attorney

City of
FRESNO
Public Review Document

February 21, 2020

Substantial Amendment 2019-1 to the 2019 Annual Action Plan

Section 108 Loan Guarantee Application for the Construction of a Multigenerational Center

Planning and Development Department
2600 Fresno Street, Room 3065
Fresno, CA 93721
(559) 621-8003
www.fresno.gov
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City of Fresno
FY 2019 – 2020
Annual Action Plan
SUBSTANTIAL AMENDMENT
No. 2019 – 01

PUBLIC REVIEW
DOCUMENT EXPIRES
March 23, 2020

Planning and Development Department
Housing and Community Development Division 2600
Fresno Street Room 3076
Fresno CA 93721
(559) 621-8300

February 21, 2020
Summary

The City of Fresno (City) is a federal entitlement community that receives an annual allocation of Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD). As an entitlement community, the City is required to prepare an Annual Action Plan detailing the uses of CDBG funds to meet its affordable housing and community development goals as outlined in its Consolidated Plan. For Program Year 2019-2020, the city is proposing a substantial amendment to the Action Plan to include a $7.5 million Section 108 Loan to fund the construction of a multigenerational center. This effort is in alignment with the City's goals as stated in the 2015-2019 Consolidated Plan to provide public facilities improvements to strengthen neighborhood revitalization.

The City will accept comments on the proposed substantial amendment for a period of 30 days from February 21, 2020, through March 23, 2020.

Public Hearings:
Housing and Community Development Commission
February 26, 2020 at 5:00 PM
Fresno City Hall, 2600 Fresno Street, Room 2120

City Council
April 9, 2020 at 10:05 AM
Fresno City Hall, 2600 Fresno Street, City Council

Council Consideration and Adoption:
April 9, 2020, following the close of the Public Hearing commencing at 10:05 AM
Fresno City Hall, 2600 Fresno Street, 2nd Floor, Council Chambers

Public Comments:
City of Fresno
Planning and Development Department
Attn: Housing and Community Development Division
2600 Fresno Street Room 3076
Fresno CA 93721

Phone: (559) 621-8300
Fax: (559) 559-457-1054
TTY: (559) 621-8721
Email: HCDD@fresno.gov
(Please type "2019 Amendment" in the message subject line)
The City of Fresno will allocate $7,500,000 of CDBG Section 108 Loan funding for Program Year 2019 for the design and construction of a multi-generational community center with a proposed location of Large Park, 4424 N. Millbrook Avenue, Fresno 93726. The multigenerational center will be designed based on community input and may include a multi-use concept meeting and recreation area with modular walls for small group activities, a kitchen for warming meals, an area to accommodate after-school activities and senior activities, a play area with playground and tot lot, two soccer fields, office space for staff and meetings, and an expansion of existing on-site parking. The remainder of the estimated $10,750,000 will be funded using $700,000 in CDBG entitlement funds previously allocated in program year 2018 and 2019, and $2,550,000 in CDBG entitlement funds to be reprogrammed with a subsequent amendment.
### Additional details are provided in the below table (AP-38 format)

<table>
<thead>
<tr>
<th>Project ID# 7</th>
<th>Project Name</th>
<th>Multigenerational Center</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target Area</td>
<td>N. Millbrook Avenue at Ashcroft Avenue</td>
<td></td>
</tr>
<tr>
<td>Goals Supported</td>
<td>Public Facilities and Public Improvements</td>
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<tr>
<td>Needs Addressed</td>
<td>Public Facilities and Public Improvements</td>
<td></td>
</tr>
<tr>
<td>Funding</td>
<td>CDBG: $ 7,500,000.00</td>
<td></td>
</tr>
<tr>
<td>Description</td>
<td>Funds will be used to design and construct a multigenerational community center.</td>
<td></td>
</tr>
<tr>
<td>Target Date</td>
<td>October 17, 2022</td>
<td></td>
</tr>
<tr>
<td>Goal</td>
<td>Multigenerational Community Center</td>
<td></td>
</tr>
<tr>
<td>Location</td>
<td>Large Park, 4424 N. Millbrook Avenue, Fresno 93726</td>
<td></td>
</tr>
<tr>
<td>Planned Activity</td>
<td>03E - Neighborhood Facilities 24 CFR 570.201(c) Acquisition, construction, or rehabilitation of facilities that are principally designed to serve a neighborhood and that will be used for social services or for multiple purposes (including recreation). Such facilities may include libraries and community centers.</td>
<td></td>
</tr>
</tbody>
</table>
City of Fresno

SECTION 108 LOAN GUARANTEE APPLICATION
MULTIGENERATIONAL CENTER

PUBLIC REVIEW
DOCUMENT EXPIRES
March 23, 2020

Planning and Development Department
Housing and Community Development Division 2600
Fresno Street Room 3076
Fresno CA 93721
(559) 621-8300

February 21, 2020
Overview
As a recipient of Community Development Block Grant (CDBG) funding, the City of Fresno is eligible to participate in the Section 108 Loan Guarantee program administered by the U.S. Department of Housing and Urban Development (HUD). Under this program, the City is able to leverage up to five times its annual CDBG allocation for large community development investments.

In its 2014-2019 Consolidated Plan, the City identified the provision of public facility improvements to strengthen neighborhood revitalization, and assistance to low-income and special needs households as two of its goals. These goals were driven by a strong demand for services and facilities to meet the needs of youth, seniors, and neighborhoods, with many expressing a desire to see multiple services integrated into one common space. In an effort to meet these goals, the City of Fresno is proposing to apply for a Section 108 Loan Guarantee to fund the construction of a new multi-generational community center and improved park facilities that will increase the quality of life for the low and moderate income population in the surrounding neighborhoods. Specifically, a multi-generational community center would improve the quality of life for constituents by providing after school activities for youth, senior enrichment activities, recreational space, meeting space, and improved green space with sports fields and a tot lot.

Eligible Activities
If approved, the City would use the Section 108 Loan proceeds to construct a public facility on City-owned land that would serve as a multi-generational community center. Under the CDBG regulations, this activity is considered eligible at 24 CFR 570.703 (I) as follows:

(I) Acquisition, construction, reconstruction, rehabilitation or historic preservation, or installation of public facilities (except for buildings for the general conduct of government) to the extent eligible under §570.201(c) .......

The City expects to use all funding available through this application for the specific purpose of developing a multi-generational community center to be used to provide neighborhood youth, senior and recreational services. These funds will not be made available to for-profit and non-profit entities.

National Objective to Be Met
The new multi-generational community center would benefit 16,520 residents in neighborhoods within a half mile radius of the proposed site. According to the latest Low Moderate Income Data based on the 2011-2015 5-Year ACS, 9,805 residents within the radius are low or moderate income residents. With 59% of residents being low and moderate income, the proposed site meets the qualification as a Low Mod Area (24 CFR 570.208(a)(1)).

Proposed Location
The approximately 6-acre subject site is Large Park further identified by APN 428-071-02 and commonly known as 4424 N. Millbrook Avenue, Fresno 93726. Large Park is currently owned by the City, and is bounded on the north by the Thomas Elementary School site (south of E. Gettysburg Avenue and east of N.
Millbrook Avenue), on the east by N. 8th Street, on the south by E. Ashcroft Avenue, and on the west by N. Millbrook Avenue. The subject site is surrounded by low density residential to the east, south, and west and a public school to the north.

Financing

The cost of the new facility will be based on a number of factors, including the conceptual plan. The City will conduct a citizen outreach campaign as part of this proposal to identify the features and amenities that residents will want in the new facility. Potential features of the new facility could include but are not limited to:

- Multi-use concept meeting and recreation area with modular walls for small group activities
- Kitchen for warming meals
- Area to accommodate after-school activities and senior activities
- Office space for on-site staff and meetings
- Play area with playground and tot lot
- Expansion of existing on-site parking
- Two sports fields

Based on these factors, the City estimate to construct the facility is $10.75 million. This estimate includes the estimated financing fees associated with the Section 108 Loan Guarantee.
Section 108 Loan Guarantee Draft Application

Section 108 loan proceeds would form a key component of the financing for this proposal. The total amount available via the Section 108 Loan Guarantee program will be equal to five times the City’s current annual CDBG entitlement less any unpaid principal on prior loans. The City’s current annual grant is $6,942,458. Based on this allocation, the City can borrow up to $34,347,290, which equals five times the current grant ($34,712,290), less the outstanding loan balance on a current loan of $365,000.

In order to access Section 108 financing, the City proposes to pledge a portion of its future CDBG grants (Program Years 2020 – 2039) as collateral for repayment. The City proposes to use the maximum repayment period allowable, twenty years, in order to minimize the potential reduction of any given year. In the event the United States Congress terminates the CDBG program prior to loan payoff, the City pledges the subject land and improvements as collateral.

The City will request Section 108 loan proceeds in the amount of $7,500,000. The remainder of funding would come from CDBG entitlement previously approved and a proposed General Fund repayment to the City’s CDBG letter of credit partially reprogrammed to this project.

<table>
<thead>
<tr>
<th>SOURCE OF FUNDING</th>
<th>AMOUNT</th>
<th>FUNDING TYPE</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>CDBG 108 Loan Guarantee</td>
<td>$7,500,000</td>
<td>Repayable Loan</td>
<td>Subject Request</td>
</tr>
<tr>
<td>CDBG Entitlement (2018)</td>
<td>$200,000</td>
<td>Grant</td>
<td>Approved PY 2018 Action Plan</td>
</tr>
<tr>
<td>CDBG Entitlement (2019)</td>
<td>$500,000</td>
<td>Grant</td>
<td>Approved PY 2019 Action Plan</td>
</tr>
<tr>
<td>Reprogrammed CDBG Funds</td>
<td>$2,550,000</td>
<td>Grant</td>
<td>Pending Substantial Amendment</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$10,750,000</td>
<td>70% Debt / 30% Grant/Equity</td>
<td></td>
</tr>
</tbody>
</table>

The City is estimating the following financing terms for the Section 108 funds:

- 2.58% Financing fee, equal to $193,500 (7,500,00 X .0258)
- 20 Year term with variable rate interest based on 20 Year Treasury note, currently at 1.93% (as of February 12, 2020)
- The facility would serve as collateral for the loan. The Section 108 loan would be in first position with no other loans secured by the facility.

The city plans on incurring eligible costs prior to the Section 108 Loan Guarantee commitment. The City is requesting permission to reimburse itself for pre-award costs per 24 CFR §570.200(h).

A proposed debt service schedule is attached to this proposal.
Additional Information
The City will follow its adopted Citizen Participation Plan to receive citizen input on this proposal. The City will undertake the following activities that will allow citizens to participate and comment on the proposal.

Public Hearing
The City will hold a public hearing regarding this proposal in front of the Housing and Community Development Commission on February 26, 2020. A second public hearing will be held at City Hall on April 9, 2020 in City Council Chambers. The City will accommodate translation and interpretation for Spanish, Hmong, and other languages and for persons with disabilities if a request is made at least 72 hours in advance. If the City cannot accommodate translation and interpretation, the City will make alternative opportunities available for non-English speaking persons and persons with disabilities to participate.

Public Comment Period
The City will accept written public comments regarding this proposal from February 21 to March 23, 2020. All comments received will be considered when preparing the final application to HUD and will be included as an attachment.

Comments may be emailed to HCDD@fresno.gov or submitted in writing to:

By U.S. Mail:
City of Fresno Housing and Community Development Division
2600 Fresno Street, CH3N3065
Fresno, CA 93721

In person or via courier:
City of Fresno Housing and Community Development Division
2600 Fresno Street, Third Floor, Room 3076
Fresno, CA 93721

For additional information regarding this proposal, please contact the City of Fresno Housing and Community Development Division at 559-621-8300.

Upon completion of the public participation process, the City will consider the input received, amend the application accordingly, and publish the final application before submittal to HUD for review.
## Attachment 1: Proposed Debt Service Schedule – Corrected 2-28-2020

Principal Amount: $7,500,000  
Interest Rate: varies  
Term (Years): 20  
Payments (Semi-annual): 40

<table>
<thead>
<tr>
<th>Estimated Annual Rate</th>
<th>Payment #</th>
<th>Payment Date</th>
<th>Est. Semi Rate</th>
<th>Semi-Annual Debt Service</th>
<th>Semi-Annual Interest Payment</th>
<th>Principal Payment</th>
<th>Principal Balance</th>
<th>Annual Debt Service payments</th>
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<td>2.535%</td>
<td>1</td>
<td>Feb-21</td>
<td>1.27%</td>
<td>$95,063</td>
<td>$95,063</td>
<td>$375,000</td>
<td>$7,125,000</td>
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<td>2.560%</td>
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<td>Aug-21</td>
<td>1.28%</td>
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<td>$91,200</td>
<td>$375,000</td>
<td>$6,750,000</td>
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<td>Aug-22</td>
<td>1.31%</td>
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<td>$66,056</td>
<td>$375,000</td>
<td>$4,500,000</td>
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<td>$375,000</td>
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<td>Est. Semi Rate</td>
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$9,621,000 $2,121,000 $7,500,000 $9,621,000
Attachment 2: Additional Underwriting Information

Description of Facility
The City would like to create a multigenerational community center that provides recreation and enrichment activities for neighborhood residents. The main features of the facility would be a multi-use concept meeting and recreation area with modular walls for small group activities, a kitchen for warming meals, an area to accommodate after-school activities and senior activities, a play area with playground and tot lot, two sports fields, office space for staff and meetings, and an expansion of existing on-site parking. The city will endeavor to implement the design guideline recommendations outlined in the Parks Master Plan adopted by the City on January 25, 2018, available on the City’s website. The Parks Master Plan Design Guidelines include recommendations for sustainability, public safety, durability, user experience, accessibility, and identity/branding. The mockup below is an example floor plan for a community center from the Parks Master Plan design guidelines. The actual floor plan will be determined through consultation with the community.

The primary uses of the space are expected to be:

- Community enriching activities including after school programs and senior programs, to potentially include meal service
- Sports programming including field reservations and soccer programs
- Recreation and fitness activities utilizing green space and playground equipment
- Community events and meetings

Market Need for Facility
The Parks Master Plan includes a Needs Assessment which concluded that needs exist in the 'Existing Neighborhoods South of Shaw' park planning area both currently and in a projection of conditions in 2035.
Community feedback specifically identified Large Park, the proposed site of the multigenerational center, as a priority park for improvement. The neighborhoods surrounding the proposed site were further identified as lacking access to park amenities such as playgrounds, shaded picnic areas, and sports fields.

The Parks Master Plan needs analysis supports that the proposed development would fill an existing market need, would serve to strengthen civic pride, and provide a measured increase in the quality of life for residents.
Site Control
The City currently owns the proposed site. The site is Large Park, identified as APN 428-071-02 and commonly known as 4424 N. Millbrook Avenue, Fresno 93726. The site is approximately 6 acres and is large enough to accommodate the new development.
Summary of Work Completed to Date

The City of Fresno has completed a number of preliminary tasks and is ready to proceed to the next stage of feasibility once it has firm commitments from its funding sources, including the Section 108 loan.

- The City allocated $200,000 in CDBG funding in PY 2018 for the Planning and Design of a Neighborhood Community Center; and an additional $500,000 for a multigenerational center in PY 2019.

- The city distributed an SOQ request for the master plan and design of a new Multi-Generational community center on March 5, 2019.

- The City engaged Krazan & Associates, Inc. on January 17, 2020 to conduct an Environmental Assessment of the proposed site.

- The City is initiating citizen participation initiatives including two public hearings as well as a community workshop and public comment period on the draft plans.
# Projected Timeline

<table>
<thead>
<tr>
<th>Activity</th>
<th>Timeline</th>
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<tbody>
<tr>
<td>Preliminary Conceptual Design</td>
<td>February 2020 – June 2020</td>
</tr>
<tr>
<td>NEPA, Section 106, and SHPO Reviews</td>
<td>February 2020 – April 2020</td>
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<tr>
<td>Final Design and 100% Plans</td>
<td>July 2020 – March 2021</td>
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<tr>
<td>Advertise and Award Construction Contract</td>
<td>April 2021 – June 2021</td>
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<tr>
<td>Construction</td>
<td>August 2021 – September 2022</td>
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Construction Budget
Below is a summary of the proposed sources and uses for the development. A description is provided for each source and use.

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<th>USES</th>
<th>AMOUNT</th>
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<td>$2,000,000</td>
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<td>Reprogrammed CDBG Funds</td>
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<tr>
<td>TOTAL</td>
<td>$10,750,000</td>
<td>TOTAL</td>
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Sources
- **CDBG 108 Loan Guarantee ($7,500,000)**
  The City envisions the Section 108 loan proceeds will be used as the primary funding source for the construction of the facility. Without the Section 108 loan, the development would become financially infeasible. The total amount available via the Section 108 Loan Guarantee program will be equal to five times the City's current allocation less any unpaid principal on prior loans. The City's current grant is $6,942,458. Based on this allocation, the City can borrow up to $34,347,290, which equals five times the current grant ($34,712,290), less an outstanding loan balance on a current loan of $365,000.

- **CDBG Entitlement – 2018 and CDBG Entitlement - 2019 ($700,000)**
  The City has previously allocated $200,000 and $500,000 of CDBG entitlement funds in 2018 and 2019 respectively for the design and construction of a multigenerational community center.

- **Reprogrammed CDBG Funds ($2,550,000)**
  Pending an additional substantial amendment, the City will reprogram $2.55 million from a proposed General Fund repayment to the City's CDBG letter of credit.
Uses

- **Construction – Hard Costs ($8.5 to $9 million)**
  The City has developed estimates for the conceptual floor designs. Construction costs are expected to range from $8.5 to $9 million.

- **Financing Costs**
  The City will be paying the 2.58% financing fee from guaranteed loan proceeds (or CDBG funds), up to $193,500, associated with the use of the Section 108 loan.

- **Other Soft Costs ($1.75 to $2 million)**
  The city will incur other soft costs of $1.75 to $2 million, inclusive of: architectural and engineering design consulting services; project management; plan check/permitting; construction management; and inspection and testing services.

Debt Service

The City anticipates the debt service will be met by future CDBG entitlement funds.

Collateral

The City proposes to pledge a portion of its future CDBG grants (Program Years 2020 – 2039) as collateral for repayment. The City proposes to use the maximum repayment period allowable, twenty years, in order to minimize the impact of the repayment obligation on any given year. In the event that the Federal government terminates the CDBG program or reduces the City’s entitlement amount to a level below the annual debt service prior to loan payoff, the City will pledge the subject land and improvements as collateral.

City’s Capacity to Administer the Project

The City has developed large projects similar in nature, the most recent being Inspiration Park.

The City’s Planning and Development Department would serve as the project lead for the development. The Planning and Development Department are responsible for administering the City’s annual allocations of HUD grants including CDBG, HOME, HOPWA, and ESG. The City considered the potential for federal funding of this project from the very beginning. As such, the Director of Planning and Development has ensured that City staff have conducted preliminary reviews of the proposed project to ensure compliance with all applicable federal regulations, including environmental review and procurement.

Next Steps

The City will complete the Environmental Assessment and procure a design team to prepare detailed plans for the facility and a corresponding cost estimate. At each stage, the City will notify HUD as it moves forward with more detailed information on the construction budget.