

City View at Van Ness: A Public/Private Partnership

February 3, 2017





Discussion Overview

- "Droge" Site History
- City of Fresno Partnership
- Project Timeline
- Design Considerations
- Project Financing
- Impact to Downtown Revitalization
- Questions?



"Droge" Site History

- Built in 1922; developed by Peter Droge, designed by James McCullough
- Headquarters for the California Peach and Fig Growers Association
- Registration site for Japanese internment camps during World War II
- Housed offices for the Works Project Administration in the 1930s that helped put locals to work during the Great Depression
- Deemed ineligible for local/national historic registry due to loss of integrity to its period of significance

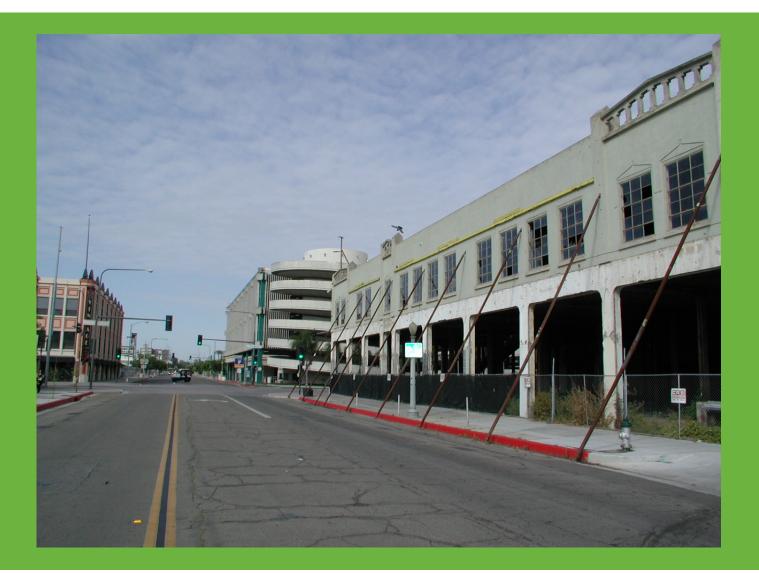




City of Fresno Partnership

- The City of Fresno reached out to Fresno Housing in early 2010 to acquire the property
- The City had sued the former owner twice over the conditions of structure; a developer with plans for renovation whose plans were halted when structural issues were identified
- The site was ideally located at an entrance to the Downtown Corridor
- City staff coordinated with Fresno Housing to align the project with an updated development code designed to guide the city's future growth





Project Timeline

- February, 2010 Approached by City of Fresno
- July, 2010 Fresno Housing acquired site
- Nov., 2010 thru July, 2011 Historic Property Survey
- August, 2011 Architect selected
- April thru Nov., 2012 Design charette held, final site plan approved for CUP
- March, 2013 Applied for tax credit funding
- October, 2013 Finance closing/construction start
- January, 2015 Construction complete
- February, 2015 100% Lease Up



Design Considerations

- The project scope initially had three options proposed:
 - -1) rehabilitation of the existing building;
 - 2) rehabilitation with construction of up to three additional floors to accommodate residential units on the upper floors and commercial/retail on the ground floor; and
 - 3) demolition of both the Droge Building and the one-story commercial building adjacent to it located at 814 Van Ness, should the Droge Building be found structurally unsound.

FRESNO VIBRANT OUALITY HOUSING HOUSING HOUSING AUTHORITY ENGAGED RESIDENTS

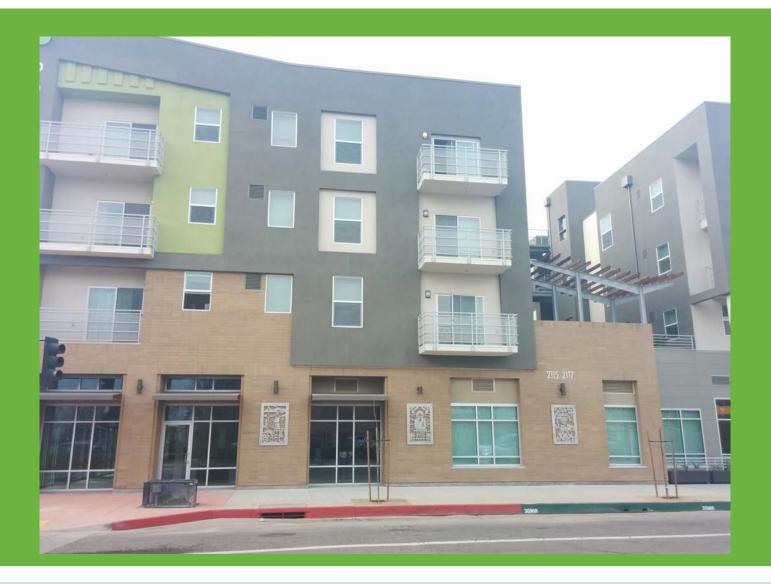


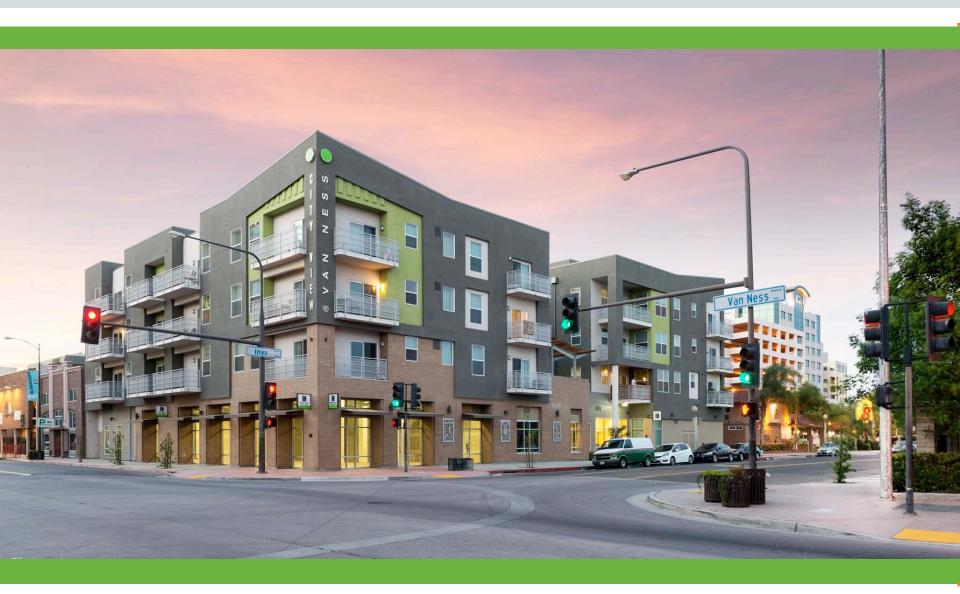
Design Considerations Continued

- Demolition was the selected option due to structural issues; however, artwork and a historic site marker were incorporated to honor the historic significance of the site
- The final design is a four-story building that includes three stories of workforce housing above 3,000 s.f. ground-floor commercial/retail space
- 45 total units: One manager's unit and six studios, 30 one-bedrooms, and eight two-bedrooms ranging in size from 413 to 955 square feet and renting to 50% and 60% AMI households









Project Financing

| Financing Sources | |
|--------------------------------|--------------|
| Tax Exempt Perm Bond | \$1,051,600 |
| City of Fresno HOME Loan | \$1,800,000 |
| 4% Tax Credit Equity | \$3,715,825 |
| HRFC Loan (FH Instrumentality) | \$3,810,000 |
| Better Opportunities Builder | \$700,000 |
| Total Sources of Funds | \$11,077,425 |

- Developer Fee \$1.23M
- Expected annual return:
 - \$39k residential c.f.
 - \$36k commercial rent



Impact to Downtown Revitalization

- Removed old blighted office building constructed in the 1920's
- The property occupies a focal point at Inyo and Van Ness, a major intersection of the downtown area
- Commercial space is now occupied by Fitness 365, providing a new fitness location for those who live and work downtown
- Catalyst for additional downtown investment; BitWise Industries opened offices directly adjacent to the site and has created over 1,000 tech jobs



Questions?

Christina Husbands Senior Manager, Planning & Community Development Fresno Housing Authority chusbands@fresnohousing.org (559) 457-4157