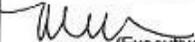




**REPORT TO THE REDEVELOPMENT AGENCY
REPORT TO THE CITY COUNCIL**

ITEM NO.
MEETING: March 24, 2009
APPROVED BY
 (Executive Director)

DATE: March 24, 2009
FROM: Marlene Murphey, Executive Director
BY: Chad Wakefield, Project Manager
SUBJECT: Consider adopting a joint resolution in support of Proposition 1C Infill Infrastructure Grant Program application to the State of California Department of Housing and Community Development for the Terry's House Project .

RECOMMENDATIONS

1. Adopt a joint resolution in support of Proposition 1C Infill Infrastructure Grant Program application to the State of California Department of Housing and Community Development for the Terry's House Project

BACKGROUND

The Penstar Group is seeking Proposition 1C funding for Terry's House. The proposed 17,000 square foot facility, located near "M" and Fresno Streets, will serve as a hospitality house with affordable lodging for families while their loved ones receive critical care at Community Regional Medical Center. A capital campaign to raise \$4.5 million to fund construction is underway. The project is dependant upon private gifts, contributions and potential grant funding. The application is seeking \$800,000 in IIG funds.

Attachment:

Draft Resolution

CITY COUNCIL RESOLUTION NO. _____
REDEVELOPMENT AGENCY RESOLUTION NO. _____

A JOINT RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO AND THE
REDEVELOPMENT AGENCY OF THE CITY OF FRESNO IN SUPPORT OF THE
APPLICATION BY THE PENSTAR GROUP, TO THE CALIFORNIA STATE DEPARTMENT
OF HOUSING AND COMMUNITY DEVELOPMENT FOR FUNDING UNDER THE 2009
INFILL INFRASTRUCTURE GRANT PROGRAM

Qualified Infill Project:
(Eligible Infill Housing Development/Infrastructure relating to Terry's House Project)

WHEREAS, the Penstar Group, a California corporation, ("Penstar"), wishes to apply for and receive an allocation of 2009 funds through the Infill Infrastructure Grant Program for the Project located within the boundaries of the City of Fresno, a California municipal corporation and local governmental entity, and the Redevelopment Agency of the City of Fresno, a public body corporate and politic; and

WHEREAS, California Department of Housing and Community Development (hereinafter referred to as "HCD") has issued a Notice of Funding Availability ("NOFA") for the Infill Infrastructure Grant Program provided under the Housing and Emergency Shelter Trust Fund Act of 2006 (Proposition 1C) pursuant to Chapter 2 of Part 12 of Division 31 of the Health and Safety Code, Sections 53545.12 and 53545.13, pursuant to which the HCD is authorized to approve funding allocations utilizing monies made available by the State Legislature to the Infill Infrastructure Grant Program, subject to the terms and conditions of the statute and the Infill Infrastructure Grant Program guidelines adopted by HCD on January 30, 2009 ("Guidelines"), the application package and standard agreement and amendments thereto and related documents/instruments necessary to Program participation; and

WHEREAS, the Project will provide a hospitality house with affordable lodging for families while their loved ones receive critical care at Community Regional Medical Center and seeks Program funding assistance of approximately \$800,000, in furtherance of the public interest, and based thereon the Council of the City of Fresno and the Redevelopment Agency of the City of Fresno desire to manifest by this resolution their support the Project Program application; and

WHEREAS, The City of Fresno is the 16th most impoverished city in the United States. According to several reports and studies by the Brookings Institute, including the recently released "Reversal of Fortune: A New Look at Concentrated Poverty in the 2000's," Fresno has the highest rate of working poverty in the nation. Fresno consistently ranks as having the highest urban and concentrated poverty in the nation; and

WHEREAS, the December 2005 Congressional Research Report found per capita income in the eight-county San Joaquin Valley lower than in the 68-county Central Appalachia region; rates of welfare dependency were higher in the San Joaquin Valley. Both regions are anchored by one industry: the San Joaquin Valley depends largely on agriculture, while Appalachia depends largely on mining.

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

1. The Council of the City of Fresno and the Board of the Redevelopment Agency of the City of Fresno support the Terry's House Project 2009 Infill Infrastructure Grant Program Project application with regard to the NOFA issued on January 30, 2009, provided that nothing herein binds or obligates whatsoever the City of Fresno, its general fund or taxing authority, and the Redevelopment Agency funds with regard to the Project, the Program, or otherwise.

CLERK'S CERTIFICATION

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

I, REBECCA E. KLISCH, City Clerk of the City of Fresno and Ex-Officio Clerk of the Redevelopment Agency, certify that the foregoing Resolution was adopted by the Council and Redevelopment Agency of the City of Fresno, California, at a regular meeting thereof, held on the 24th day of March, 2009.

AYES:
NOES:
ABSENT:
ABSTAIN:

REBECCA E. KLISCH
City Clerk/Ex Officio Clerk of the
Redevelopment Agency

By: _____
Deputy

APPROVED AS TO FORM
James Sanchez
City Attorney and Ex Officio
Attorney of the Redevelopment
Agency

BY: *JS*
Deputy

Date: 3-20 , 2009
RRC:sn [48325sn/RESO] 3/20/09